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CROP PROSPECTS AND THE TOURISTS SEASONAL FACTORS

Motor Car and Implement Plants Adding Men to Fill Orders

SUMMER TRADE GOOD

Thirty Millions From July Interest and Dividend Payments — 500,000,000 Bus. Wheat Yield Forecast

With crops in at least as favorable a condition as in any other year at this time in the history of the country, the midsummer period commenced under unusually favorable auspices. One of the big factors in Canadian business during the summer months, the tourist trade, promises a better year than ever before. From many points scattered between the two coasts come reports that a larger number of U. S. visitors are making their appearance than has ever been the case at this time of year. It is worthy of note that those provinces which made the largest expenditure on highways during the past year appear to be reaping the largest revenue. This is, of course, to be expected. A study of the highways situation principally in Ontario, which appears in another column, shows that, according to official estimates, the tourist traffic was worth something like $150,000,000 last year, and Ontario received approximately half of this. Prospects are for much larger returns this year.

Judging from the number of new sales and the volume of production, iron and steel industry is managing to maintain its position. A well sustained volume of miscellaneous demands is proof of continuing activity in many important branches, although buying is based entirely upon business actually obtained or in sight. Although the half year figures for motor car sales are not yet complete, statistics now available indicate a big increase over last year, in the number of cars sold in the Dominion. The figures for trucks and buses especially show a marked increase.

Other Steel Plants Active

In the implement and binder twine industries, large preparations are being made for the large crop now promised. The Brantford plant of the Massey-Harris Co. is employing 750 men, which is the largest staff for many months, and is running some of the shops overtime. The Walmsley Co. of Canada report their Longueuil plant to be busy on a contract to provide equipment for the paper plant of International Paper Co. being erected at Three Rivers. The Algoma Steel Corporation plants are busy with substantial orders of such products as forging steel, tie plates and slice bars. It is stated that orders will shortly be issued for some 25,000 tons of steel to be used in the construction of the Windsor-Detroit bridge which is expected to run into a cost of something like $12,000,000. A number of the Hamilton plants are working on building now under way and planned types. Most of the hardware goods lines are active and are expecting a good volume of business for the later months of the year.

Building activities continue on a large scale. June's contracts are above $33,000,000 as against $26,000,000 for June of last year, and the volume of building now under way and planned for the next few months is well above that of last year. There is considerable feeling that residential and office building is being overdone in the larger cities, but demand seems to keep well up to available space. There is always the tendency to move to the newer buildings and a larger amount of renovation and remodelling of old buildings, than usual, is being carried on this summer.

Considerable speculation exists with regard to the possible effect of the upward trend of money rates in the United States. Business runs along normally in the States, and the relation between so sudden a change in rates and the expansion of business is scarcely apparent. It is the general feeling that, should the trend towards higher rates be permanent, a substantial liquidation may be expected in the markets. The close relationship between money rates and the general trend of business, however, which was once believed to exist, is less depended upon of late. Business cannot be boomed by a lowering of money rates alone, nor is the reverse true.

Retail trade in Canada runs along on an even keel. The volume of sales is somewhere around the average, but the crop prospects especially in the West are creating a greater degree of optimism that has been evident for some years. The total of bond interest and dividend payments for July is in excess of $30,000,000, an amount sufficient to have a tangible effect upon general buying power.

RATE OF FREIGHT EXCHANGE

OTTAWA.—The rate of exchange in connection with shipments of freight between points in Canada and the United States from July 1 to 14 inclusive, will be one thirty-second of one per cent. discount. There will be no surcharge on international freight or passenger business.

What a Strike Costs

From Our Own Correspondent.

SYDNEY.—The following is a conservative estimate of the loss direct and indirect due to the present coal strike and resulting rioting:

Property Damage	
Waterford Lake power house wrecked	$75,000
Mining machinery flooded and lost	50,000
2 Colliery wash-houses burned	10,000
1 Hoisting house burned	6,000
11 Company stores looted.	
4 Company stores burned	220,000
6 Private stores looted.	
1 Private store burned	26,000
3 Dwellings burned.	
4 Dwellings damaged by mob	8,000
No. 11 Bank head and plant	150,000
Numerous carpenter shops and small buildings burned, C.N.R. coach windows smashed, etc.	7,500
Labor Wastage	
Loss of wages, 15 weeks' strike	1,800,000
Cost of army of occupation (based on previous experiences	200,000
	$2,552,500

Human Casualties

1 man shot dead.
6 seriously wounded.
40 less seriously hurt.
Several men and three women beaten by mobs.

PLAN PAPER MILL FOR MATTAGAMI CO. AFTER REFINANCING

Debenture Holders Have Devised Plan to Pay Off Bond Holders

Plans are in the making that if successfully consummated will bring Mattagami Pulp in as a paper producer. Some time ago bondholders notified debenture holders that they would have a stated time to devise some scheme of taking hold of the proposition. Recently the debenture holders convinced the bond holders that they will be able to do so and the meeting of the latter has been called off. A meeting of the debenture holders will be held and it is hoped that there will be a reorganization scheme ready for presentation.

What is contemplated is that new finances will be secured. The bond holders will be paid off and later a paper mill will be added to the plant and paper manufactured instead of the pulp shipped out of the country.

It has been a long battle to try and rescue the company. For two years the pulp plant was operated under receivership for the bank and when the bank secured the return of money advanced the bond holders took hold and have operated it for two years. The operation has been a success as a sufficient surplus has been built up to take care of bond interest arrears and the company is in a better liquid position to-day than for some time.

The working out of the proposition has been due to its successful handling while under the receivership. Though the pulp market has been decidely off color, Mattagami has been operated as a specialty mill, turning out a special pulp and it has enjoyed a capacity market. At the mill, high efficiency has been obtained and gradually the 150-ton mill has been brought up to a tonnage of 183, or 33 tons above its rated capacity.

LONDON GROUP AFTER THE NORTHERN LIFE

Would Restore Ownership and Control of That Company to City Where it Was

LONDON.—An effort to restore control and ownership of the Northern Life Assurance Co. in London is being made. A group of prominent local financial and business men, including Hon. Charles Hyman and J. S. Moore, manager of the London and Western Trusts Co., is interested in the proposed transfer of ownership and with it the assured retention of the company's headquarters at its original home in London. It is believed that the present majority stockholders, Gairdner, Clarke & Co., of Toronto, are not averse to a transfer of interest,

The Northern Life was originally a London-owned institution, founded by the late T. H. Purdom, K.C. Since his death the majority of stock was secured by Gairdner, Clarke & Co. In view of existing Toronto control rumors have from time to time gained currency that the headquarters of the company were to be removed from this city, but this has been denied.

Ames, Holden, McCready May Pay 50% on Bonds

MONTREAL. — A sale of a large amount of the stock of Ames, Holden McCready took place this week and the bondholders are meeting at the close of the week to discuss the further disposal of the assets of the company. The liquidator is preparing a statement which shows the financial position of the liquidated company. This should be published within the next two weeks.

In the meantime, those acquainted with the position of the defunct company feel, that at present prices at which the bonds are changing hands, the bondholder would be wise in awaiting the final winding-up of the company and the distribution of the assets which, it is said, will probably eventually amount to about fifty cents on the dollar.

When call money was quoted up to 6 per cent. in Wall Street on Monday, it touched the highest point since December, 1923.

Cut in Surtaxes Has Benefited the Whole Community in United States

Coolidge Reduction Program Being Justified by Results

A MIRAGE OF PROFITS

Reduced Earnings May Also Indicate a Serious Loss in the Value of the Capital Investment

With prospect of a surplus of $250,000,000 for the fiscal year as the result of the June 15 tax payments, President Coolidge's plan to bring about a further material reduction in income taxes, and particularly the surtaxes, is taking definite form. With increased revenues and curtailed expenditures a tax reduction of $400,000,000 in the next congress is anticipated.

This further reduction of taxes on capital and on business in the United States is of vital interest to Canada. It means encouragement for capital in new enterprises and lower production costs; it will place this country at an increasing disadvantage.

All the People Benefit

That the reduction of taxes on industry and business generally is in the interests of the great mass of the people rather than of capital directly affected is the basis on which the Coolidge programme is being carried out, and that it is sound has been proven by the results to date. Revenues have been materially increased as the result of tax reductions which have encouraged business expansion and brought greater prosperity to all the people.

Taxation experience is making it increasingly clear that capital can evade taxation—that the wealthy classes can provide for themselves without risking their money in making profits to pay taxes—but that the consequences of the throttling of enterprise and the depressing of industry cannot be evaded by the people dependent upon business prosperity for wages and salaries.

Take, for instance, the case of a capitalist who is planning an apartment house to return a fair income. He finds that the surtaxes are such that they will reduce his net income to a level obtainable on government bonds—and so he buys the bonds and gets a sure return. The result is that the community suffers through lack of housing and a regular source of property taxes is dried up, while labor loses an opportunity for employment and the makers of building materials the orders which would enable them in turn to increase employment and wage rolls. The same thing applies to industrial enterprises and to many other business ventures which play an all important part in general prosperity.

Profits May Not Be Real

On the other hand, it is doubtful if many businesses are making the profits which appear on their books. This is perhaps not realized until it is necessary to close up altogether. Throughout Canada there have been many failures in recent years and idle industrial plants are common. For this condition, taxation has been perhaps a greater factor than has been realized.

Take the case of an industrial plant showing earnings of say 20 per cent. on an investment of $100,000. For the purposes of illustration that will be taken as a healthy situation. Then the earnings drop from 20 per cent. to 15 per cent., $20,000 to $15,000. On the face of it the profits have declined $5,000, and that is the loss that would probably be indicated on the company's books. But is a plant which can earn $20,000 on a valuation of $100,000 worth as much when it earns only $15,000? Should the value of the plant not be written down; $15,000 would be 20 per cent. on $75,000. From the standpoint of earning power the value of the plant has declined $25,000 and on that basis

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Both Parties Out to Cut Taxes in States

The Republican Elephant and Democrat Donkey are depicted by the New York Evening Post as striving to outdo each other in making hay by cutting surtax rates while taking advantage of the sunshine of public approval.

Which is saying in word-picture that the American public has become so convinced that the reduction of taxation on capital is essential to the welfare of all classes that both parties have adopted tax reduction as a plank in their political platforms.

And it is essential to Canadian prosperity that business in Canada should not be handicapped in comparison with her nearest neighbor.

It is not a matter of politics but simply of good government.

Montreal Tramways Co. Will Operate Buses

From Our Own Correspondent

MONTREAL.—By August of this year, the Montreal Tramways Co. will have in operation 14 motor buses which the company has recently purchased. As regards operating conditions for bus services, Montreal presents an entirely different problem from any other city in the world due to its long winter accompanied by heavy snow.

The present purchase is in the nature of an experiment on the part of the company. Should the services prove popular, and earn enough to pay their way, it is probable that more bus lines will be operated. The company operates under an exclusive franchise on the city streets in Montreal, so that it is quite possible that it can provide better and cheaper transportation through its cars, rather than through buses which always have high depreciation and operating costs.

Buses of varying types will be employed according to the duty which they must perform. Although newspaper reports gave definite figures as to fares, the rates on the bus lines have not yet been worked out. The Financial Post learns the present purchase on the part of the company has really only one end in view—that is experimentation over probably one or two years.

Complete Switch for the Shareholders of Canners

Old Dominion Preferred Shareholders Will Get Bonds and Control Dominion Common Stock — Old Common Holders Will Get the Preferred in the New Company

An interesting feature in the winding up of Dominion Canners and the exchange of securities of that company for those of Canadian Canners, is that the preferred shareholders have the right to elect individually what they will take for their shares and the selection of the majority to date indicates that the preferred shareholders of Dominion Canners will become the common stock holders of Canadian Canners and the common shareholders of Dominion, the preferred shareholders of the operating company.

Shareholders of Dominion Canners met during the past week and gave approval of the winding up of the holding company. Avern Pardoe, the new president, presided at his first meeting of the shareholders and it will be his last because of the decision reached. Apparently Dominion Canners preferred shareholders are harking to the advice of the president, who told them that if they desired to assure themselves of a steady income they should elect to take the general mortgage bonds. This would give them a $115 6 per cent. bond, market value $111.40, and a three-quarter share of Canadian Canners common, market value $11.25. The general mortgage bonds rank as a second mortgage after the Dominion Canners bonds, which were taken over by Canadian Canners. Upon maturity of the Dominion Canners bonds, which rank as first mortgage, an unissued portion of the general mortgage bonds will be used then to retire them.

Retain Income

Preferred shareholders of Dominion Canners have always had steady dividends from their shares. If they elected to retain their position by taking preferred shares of Canadian Canners they would jeopardize this income as the latter shares are in arrears and will not be able to receive the full dividend for perhaps a year or so.

What remains after the preferred shareholders are taken care of will go to the common shareholders of Dominion Canners. Indications are that they will get about $10 in bonds, about 50 cents a share in common and the balance in preferred shares of Canadian Canners.

Dominion common shares carried dividend rights to 7 per cent. until the past week, the 25th. There is another 3¼ per cent. still to be paid, or $10.50 per share. Holders will get better than two shares of Canadian preferred in the exchange and there will be a 2¼ per cent. dividend paid on this stock in the near future or a return of better than 5 per cent. on Dominion common. In addition to this Canadian Canners preferred is $14 in arrears of dividends, or around $35 for each share of Dominion common. On the exchange basis when Canadian preferred reaches full dividend, which it is expected to do gradually, going on a 5 per cent. basis in 1926 and perhaps 7 per cent. in 1927, the return to Dominion Canners common shareholders will be nearly 18 per cent.

LOCOMOTIVE SHARES ARE NOT IN DEMAND

Only 27 Bid for Common, While Last Sale Was 64 in February

With 27 bid for the common and 80 for the preferred, Canadian Locomotive issues are at new lows. Lack of business has overshadowed the strong liquid position of the company and brought about the liquidation of sufficient stock to depress the market materially. The first of the year saw the company pass the dividend on the common. Previously the shares had sold at 66, while this year the high for actual sales was 71 Jan. 1, and the lowest and last sale recorded was 64 Feb. 9. The preferred is down 10 from the year's high. The company has net working capital of close to $1,400.000, but the trouble is that it has not the orders to keep the capital properly employed. The railway situation in Canada is very much upset and it is doubtful if orders for more than bare necessity in the way of locomotives or extensive repairs will be placed until the situation clears. Generally it looks as if the company was facing a slack period and the market is discounting it, although the past fiscal year which ends with this month has not been very satisfactory.

How the Hydro Avoids Taxes

The Township Council of Seymour last year assessed the Ontario Hydro property within its jurisdiction at $37,000 for the land and $500 business assessment. The tax on this amount would be $135, but not a cent of this has been received to date, according to the Peterborough Examiner, although Dr. G. A. Hay, the township clerk, has made frequent demands on the Hydro officials at Toronto for payment.

When the Seymour Council met recently, Dr. Hay called attention to this matter. Not only the power houses and lands of the Hydro are exempt but the same claim is put up for the dwelling houses that have been built for the Hydro employees. The children of these employees attend the various schools in the district and for their tuition not a cent is collected. There are 12 such pupils attending the school at Healey Falls, and others are being taught in Campbellford.

BEST FEELING IN 25 YRS. REPORTED FROM MANITOBA

Brandon Fair a Barometer of Better Conditions in West

PLENTY OF MOISTURE

Some Sections Have Almost Too Much Rain—Some Damage From Worms in Alberta —Rust Scare Passes

By E. CORA HIND,
Commercial Editor, Manitoba Free Press.

BRANDON.—A provincial fair is about as good a place as can be found to get the general opinion of farmers on crops and two days at the Manitoba provincial fair at Brandon reveals a generally satisfied tone among the farmers from the province. In fact I do not think that in 25 years, attendance at Brandon fairs I have ever heard more general satisfaction with conditions to date.

This does not mean that there have been no losses of acreages from undue wet and cutworms, but it does mean that these losses are small in face of the general good condition and while the crop is not made, the feeling is that the end of June condition is good and much above the average. Since last writing there have been some heavy rains, which were not needed but, as a rule these have been more or less local, and the last few days have been cool with light winds, plenty of sun and only scattered showers in Manitoba.

The Other Provinces

There are quite a few farmers here from Saskatchewan and Alberta. The Saskatchewan men seem generally as satisfied as those of Manitoba, but the Alberta men, in some instances at least, confirm the last provincial government report that losses from cutworm and wireworm in the eastern sections of the province and more especially the south-eastern sections are very heavy. Apart from that trouble, crops are good and a very large percentage of the wheat, even in the north, is either actually out of the shot blade or just emerging.

The rust scare reports have died down and no farmer talked to at Brandon in the last two days seemed to have even a thought of rust. Certainly none has been found around Brandon or on the experimental farm here, where they have all varieties of wheat growing.

The Manitoba Free Press will issue its next crop report on Saturday, July 4, and in the questionnaire sent out for the report special inquiry was made as to cutworm and wireworm damage and also as to any reports or evidences of blackstem rust.

Brandon has certainly staged one of the best fairs in her history and that is going a long way and a good provincial fair is generally a sure barometer of the conditions in the country.

Satisfactory Progress

MONTREAL.—Reports to the Bank of Montreal on the crop situation indicate that growth in the West is more advanced than usual with wheat in the shot-blade; conditions are very favorable.

In Ontario fall wheat is filling out well and weather satisfactory.

The Quebec hay crop is above the average.

In British Columbia hay and grain are good, but fruit is below the average.

Loblaw's Earnings Are Above Anticipations

Loblaws has declared a common dividend of $1 per share. This company recently offered seven per cent. preferred shares to the public. At that time purchasers of preferred shares were given the right to acquire common shares upon exceptionally favorable terms, although no definite promise was held out to pay a dividend on the common shares at such an early future date.

The annual meeting will be held shortly. A satisfactory report is anticipated. It is understood that earnings have been nicely above the figures held out at the time the public offering was made.

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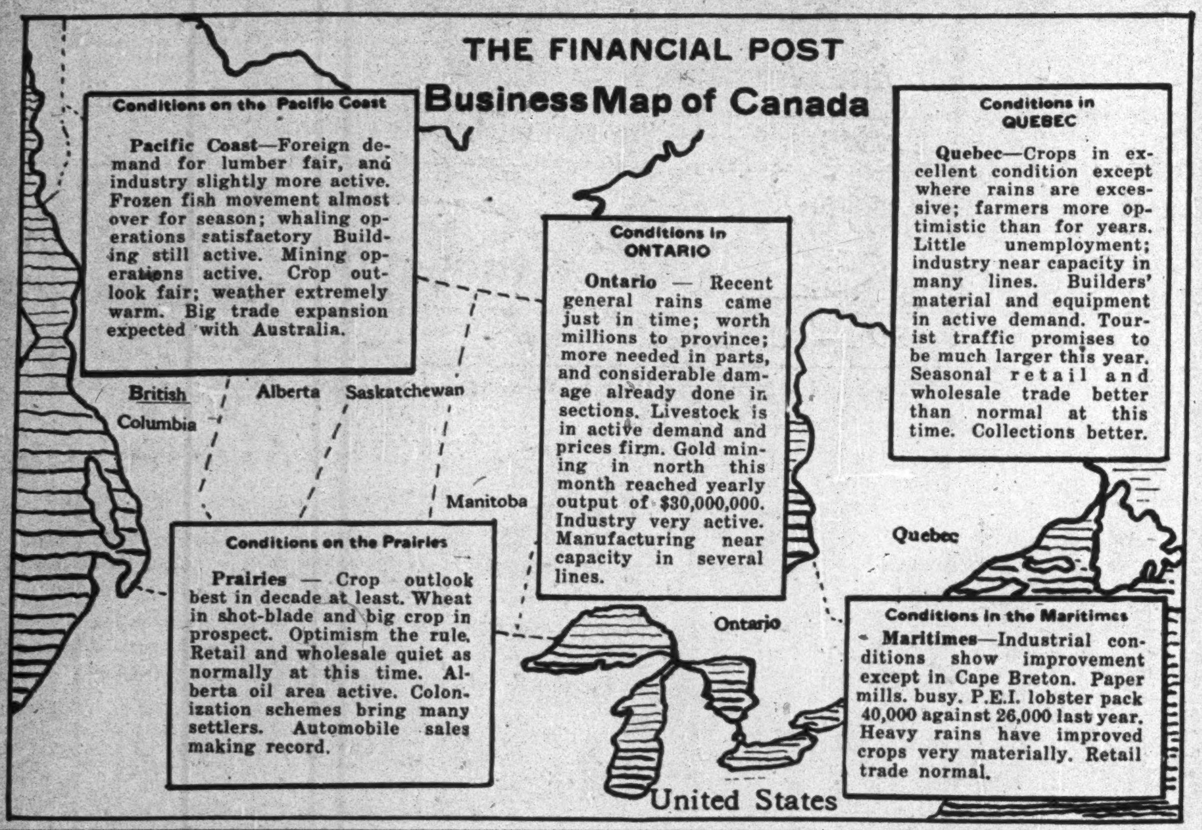
The Business Outlook in Canada

Conducted by H. M. CAMERON, Statistical Editor, The Financial Post.



20 PER CENT. RISE IN EXPORTS OF ANIMAL PRODUCTS

Notable Expansion in Various Branches of Mixed Farming

An increase of 20 per cent. in the exports of animals and animal products from Canada during a single year ought to be sufficient evidence that Canada's farming activities do not consist entirely of grain raising. This is what took place last year. The total value of these exports averages about one-third that of all grain and vegetable products combined. Last year the former amounted to more than $163,000,000 while the latter was $443,298,000. No better evidence can be obtained that mixed farming is making rapid progress, and that the farmer is thus assured against total loss during a year when adverse conditions have affected the grain crops in his locality.

Something of the direction in which the livestock industry is developing is seen in the first half-year's figures for marketings throughout Canada. Taking the country as a whole, cattle sales fell off slightly, from 339,925 to 332,733, while the sales of calves increased by nearly 7 per cent. A decided expansion has been taking place in the development of the bacon industry, and the total sales of hogs jumped 14 per cent., from 619,244 to 707,004. During the same period the total value of sheep sold declined by more than 35 per cent. The trend of prices is, of course, the major factor in this movement towards the greater production of young cattle and hogs.

According to statistics recently prepared by the Dominion Bureau of Statistics, the total value of livestock in Canada has increased during the past year from $613,260,000 to $641,144,000. The largest contributor to this increase was a rise of more than $10,000,000 in the total value of hogs. The total value of cattle rose $9,000,000, and there was a slight increase in the value of sheep.

Products Find New Markets

An encouraging phase of the farm animal industry is the widening of the market which our products are building up, in competition with the products of other countries which specialize more intensively in these lines. The total value of meat exports, for example, has increased by more than 36 per cent. during the past year. Last year's shipments were worth $30,000,000 against $22,000,000 the year previous. Pickled and dry salted pork made the largest gains, and, in respect to markets, the greatest increase in shipments was to the United Kingdom. Even outside the United Kingdom, Canadian pork products are building up a favorable reputation for superior quality.

Canada's profits from the livestock industry are not confined to the actual value of the animals and meats sold. A substantial profit is added by further manufacture and by certain processes, especially the latter. Although the total revenue from farm animals, according to official figures, was less than $100,000,000 last year, the value of animal products, as stated above, was $163,000,000.

Collecting Time Payments

The Collection Department No Longer "Hounds" the Debtor But Acts on Psychological Principles — Helps and Encourages Him—Repossession Only a Last Resort

By V. FRAY.

This sixth article of a series on time payment selling discusses the collection problem from the angle of the collecting organization. It was written by an official of one of the large credit companies. Other phases of the subject will be discussed later.

After the sales department has sold the purchaser on the time payment plan, and the credit department has extended credit to the applicant, the collection department gets — the debtor.

Until recent years collection departments have been the dumping grounds of companies. If a man was not good for anything else, he was put on collections. The day of the shabbily dressed, lean and houndlike individual who cycled around camping on the debtor's doorstep has passed. Firms that spent all their energy and money on the training of salesmen are to-day also concentrating on the development of an efficient collection department.

The morbid, hardened collector is being replaced by alert, ambitious young men who have not become embittered. The profession of collecting, and it has practically become a profession, is attracting some of the outstanding men and women, too, in business. Money is not collected by spasmodic spurts, but by the steady grind from day to day. There is a great deal of psychology in collecting—no account is uncollectable. Men pay their accounts because first of all honesty is the best policy and years of collection work will prove to any skeptic that the vast majority of people are really and truly honest. Pride might be coupled with honesty—the man who takes a pride in his self-respect will pay his bills. Some people are shamed into paying while others pay promptly in order that their credit rating might not be jeopardized.

At the very least 85 per cent. of instalment accounts are paid promptly. But there are those who provide the collectors with trouble, and roughly they can be divided into three classes.

The improvident—the man or woman who assumes a liability without considering the ways and means of paying. Such an individual is treated as a child and shown how and where he can and must so order his finances that he will be able to meet his obligation.

Then there is that mean individual, morally obtuse he has been called who deliberately holds back payment of an account until the last moment. Sometimes it is possible to reason with these continual delinquents, more often decisive measures the first time the account is in arrears, entailing additional expense, are effectve.

Then there is the out and out crook who does not mean to pay—and there

(Continued on page 11)

Canadian Conditions

Car Loadings—	1925	1924	
Week June 13	49,963	57,861	—13.6%
Yr. to date	1,216,306	1,279,092	— 4.9%
Grain Receipts—	1925	1924	
Aug. 1 to June 12	242,788,261	389,857,782	—37.8%
Building—	1925	1924	
May	$14,545,161	$13,936,337	+ 4.3%
	1925	1924	
5 months	47,748,445	44,175,917	+ 8.1%
Bank Clearings—May—	1925	1924	
	$1,309,559,221	$1,396,462,465	— 6.1%
Savings Deposits—Chart. Banks—	1925	1924	
Apr.	$1,263,964,473	$1,211,504,684	+ 4.3%
Current Loans—By Banks—	1925	1924	
Apr.	$909,360,244	1,005,425,951	— 9.5%
Net Dominion Debt—May 31—	1925	1924	
	$2,387,794,908	$2,385,263,512	+ 0.1%
Railway Earnings—			
April—	1925	1924	
C.P.R.	$12,608,788	$13,806,121	— 8.6%
Oper. exp.	11,160,188	12,051,204	— 7.4%
Net	1,448,599	1,754,917	—17.5%
4 Months	1924	1923	
C. P. R.	$49,223,559	$55,094,604	—10.6%
Oper. exp.	43,919,278	48,890,639	—10.1%
Net	5,304,281	6,203,965	—14.5%
April—	1925	1924	
C.N.R.	$17,656,889	$19,051,093	— 7.3%
Oper. ex.	16,402,357	17,795,399	— 7.8%
Net	1,254,532	1,255,694	— 0.09%
4 Months—			
C.N.R.	$69,093,343	$75,833,721	— 8.8%
Oper. exp.	65,318,561	72,022,585	— 9.3%
Net	3,774,782	3,811,136	— 0.9%
Balance of Trade— 12 months, Apr. 30—	1925	1924	
Exp.	$1,092,551,749	$1,053,953,665	+ 3.6%
Imp.	795,864,047	885,358,688	—10.1%
Bal.	296,687,702	168,594,977	+76.2%
July Wheat, No. 1, Nor. Winnipeg—	1925	1924	
	June 22—$1.63¾.	June (Aver.)—$1.14	

Canadian National earnings for the week ending June 21 fell off $444,056, or 10 per cent. to $4,190,930, compared with the corresponding week of 1924.

The Weyburn Security Bank
Chartered by the Act of the Dominion Parliament
TWENTY-SIX BRANCHES IN SASKATCHEWAN
HEAD OFFICE - WEYBURN, SASK.
DIRECTORS:—Alex. Simpson, Pres., Minneapolis, Minn.; Jos. Mergens, Vice-Pres., Weyburn, Sask.; J. A. McBride, Weyburn, Sask.; M. A. Miller, Weyburn, Sask.; S. E. Oscarson, Fargo, North Dakota; N. D. McKinnon, Weyburn, Sask.; H. O. Powell, Gen. Mgr., Weyburn, Sask.
A General Banking and Foreign Exchange Business Transacted.

CANADIAN BANK NOTE COMPANY LIMITED
Engravers and Printers
BANK NOTES AND CHEQUES
CORPORATION BONDS
STOCK CERTIFICATES
MUNICIPAL DEBENTURES
AND OTHER
MONETARY DOCUMENTS
Head Office and Works
224 Wellington Street, OTTAWA
Branches
MONTREAL TORONTO

Banking Service
Every service that a progressive banking institution can perform is available at any of the 340 branches of the Union Bank of Canada, where banking business of every description is quickly, efficiently and courteously handled.
UNION BANK OF CANADA
HEAD OFFICE WINNIPEG
Established 1865

LLOYDS BANK LIMITED
Head Office:
LONDON, E.C. 3.
Over 1,650 Offices in England and Wales, and several in India, Burmah and Egypt.
(31st December, 1924.) ($5=£1.)
DEPOSITS, &c. $1,707,171,660
ADVANCES, &c. $823,571,655
The Bank has Agents and Correspondents throughout the British Empire and in all parts of the World, and is closely associated with the following Banks:—
The National Bank of Scotland Ltd.
Bank of London & South America Ltd.
Lloyds & National Provincial Foreign Bank Ltd.
The National Bank of New Zealand, Ltd.
Bank of British West Africa, Ltd.
The British Italian Banking Corporation, Limited.

TRAVELLERS' CHEQUES
Travellers' Cheques provide a convenient means whereby Tourists and Travellers may keep themselves supplied with money.
These cheques are issued by the Bank of Montreal in dollars, sterling and French francs and are accepted everywhere by banks, hotels and business houses.
BANK OF MONTREAL
Established 1817

The Bank of Nova Scotia
Established 1832
Capital .... $ 10,000,000
Reserve Fund 19,500,000
Total Assets 220,000,000
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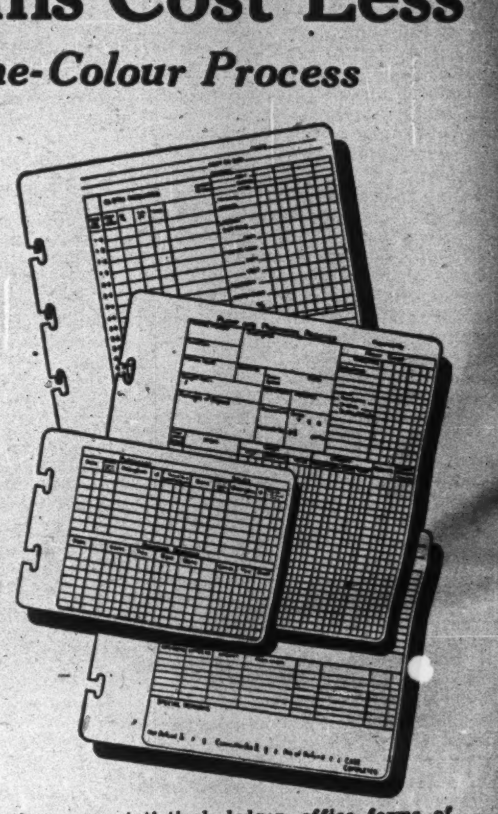

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EXPLANATION OF WHAT CONTROLS PRICES OF "GAS"

Imperial Oil Review Gives the Viewpoint of the Producer

When a notice goes out to the trade advising of an advance of a cent a gallon in gasoline prices, it is a news story of importance. People call it to one another's attention and discuss it, usually with some degree of warmth. Ten years ago such a change in gasoline was not nearly so interesting, while twenty years back it did not matter enough to get a paragraph outside of the trade journals, says The Imperial Oil Review.

It is submitted, in an explanation of gasoline prices reprinted from The Lamp, that the price of crude oil and gasoline are fixed by the competitive efforts of the producers, beyond control or manipulation. A rising tide of either the raw material or any of the derivatives tends to bring about its own curtailment through its depressing influence on the markets. A shortage operates in the other direction: by advancing prices it stimulates production.

The point is made that there was what amounted to a monopoly in the industry when the Standard Oil Co. was so largely in control, but that since 1911 the forces of competition have had the fullest play. The "explanation" continues:

Oil is the most fluid of all important commodities. Like credits, it abhors a vacuum. It moves east or west, north or south, into domestic or foreign consumption wherever the best market offers. There are no territorial lines restricting its movements. A new producing field of importance at once affects prices at wells hundreds of miles removed. An oversupply or deficiency of any of the products on the Pacific coast has an immediate bearing on prices at the Atlantic seaboard. Transportation drains a surplus from the higher level to the lower and stabilizes supply and demand. In 1920 California was short, and mid-continent gasoline flowed in to supply the deficiency. Three years later the fields in the Los Angeles basin poured out such an excess of crude over local needs as to initiate almost overnight a heavy Eastern movement of crude and partly finished gasoline stocks through the Panama Canal. To-day drafts are being made on behalf of Eastern refiners on light crude carried in mid-continent storage, while thousands of barrels of heavy crude are going into tankage at Smackover.

It is sometimes difficult even for a producer or refiner to account for a price change affecting his business, for this very reason. He sees conditions in his locality and draws his conclusions on that basis, failing to give proper weight to a surplus or shortage in another part of the country. Prices are made not by but for him.

But for the unexpected increase which has been obtained in recent weeks from a deeper sand at Smackover, the crude oil production figures would have shown a decrease. The fact that the Smackover crude is very poor in natural gasoline content does not lessen the psychological effect on an increase in the crude oil production figures.

The domestic consumption of gasoline in the United States alone for the first two months of this year and the corresponding months of 1924, in gallons was:

	January	February
1924	500,420,561	402,283,876
1925	596,405,509	5[illegible]2,426,977
Inc.	95,984,948	140,143,101

Domestic production in the same months makes the following comparison:

	January	February
1924	695,322,500	683,736,103
1925	831,652,370	790,441,679
Inc.	136,329,870	106,705,576

This shows that the production of gasoline has been running ahead of the country's needs, although it is always necessary to put into storage considerable quantities of gasoline at this time of year to meet the peak demand in the summer months to come. Certain of the refiners, because of lack of storage or for reasons of finance, found it impossible to follow the general policy of accumulating stocks during the winter months, and their surplus output, pressing for market, resulted in establishing a lower price in the primary marketing centres in Oklahoma and North Texas. The consequence of this was a drop in tank-wagon prices on the Atlantic seaboard, as the surplus, pressing for market at any point, makes the price until the excess is absorbed.

The latest reduction in tank-wagon prices initiated by the Standard Oil Co. (N.J.) clearly illustrates the machinery of price-making. The then prevailing tank-wagon price, based on the cost of crude oil and manufacture, was low, but the offer of carload lots of gasoline at the primary market at a lower level of price enabled buyers to ship it into Eastern markets and sell under the current tank-wagon price, making it necessary to meet competition or lose sales, and the reduction naturally resulted.

A statistician surveying the figures of production, storage and consumption that gasoline was selling at too low a price, but if considerable quantities were being offered at any point in the country at a price plus transportation under that prevailing in distant markets, those markets would have to come down.

HEAVY CATTLE SHIPMENTS

MONTREAL.—Thirteen ships with a total of 7,988 head of Canadian cattle, left this port during the month of May and during the first week of June three more ships left. Canadian cattle, according to authorities here, are now in strong demand in the British market despite the Irish and English competition.

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Oil Companies Drawing Supplies From Storage

NEW YORK.—Present policy of leading oil men is so framed as to cause the greatest possible withdrawal of oil from storage this year, rather than the encouragement to open up new fields. This policy so far this year has been successful. It has resulted in satisfactory prices for crude oil and refined oil products, which are enabling the oil companies to make large earnings, in many cases record earnings. A continuation of that policy will mean large earnings throughout the rest of this year.

This is the first chance in several years that the oil companies have had to liquidate part of their surplus stocks of oil which they have accumulated during the last few years of overproduction and they are disposed to continue that advantage. It is hoped by them that 50,000,000 barrels of oil will be taken out of storage this year, which at an average price of $2 a barrel would mean $100,000,000 in funds for them.

CLOSED FISHING SEASONS COMING

Movement on in B. C. to Restore Famous Sockeye Salmon Industry

From Our Own Correspondent.

VANCOUVER.—So serious have been the inroads on British Columbia's fish supply that the federal and provincial authorities are taking aggressive measures to conserve the industry. The gradual depletion of sockeye salmon on the Fraser river has been one of the industrial tragedies of the Pacific Coast for the past ten years. The species is, in a relative sense, wiped out in that particular region, although it once represented the world's most important source of food fish. The Fraser river situation has always been complicated by the international aspect and the fact that one nation was unable to exercise complete control over the fishing rights. Poaching was thus encouraged and for years there has been disastrous over-fishing at the mouth of the river.

Within the past few months, however, the United States and Canadian authorities have got together on a plan of conservation that is expected to yield important results. Closed seasons are being declared and an elaborate plan for the tagging of young salmon with metal discs for the purpose of tracing their migrations, etc., is being carried out. In the rivers further north conservation measures have also been adopted.

Owing to the slow growth of halibut it also is in danger of extermination. Under proper protection it may be an important food resource and Prof. W. F. Thompson, in charge of halibut conservation for the international fisheries committee, is now in Prince Rupert arranging for the application to halibut of a tagging scheme similar to that used in connection with the salmon.

America Now a Big Exporter of Movie Films

NEW YORK.—In the early days of the moving picture, most of the films shown in American theatres were imported from Europe and American producers made only a small part of the films exhibited. All this was changed by the war, and rapid development of American movies in the years following 1914 not only entirely displaced foreign pictures in American markets but gave American producers virtual control of the world. Total value of American film export business this year is estimated at about $75,000,000.

Originally profits from films sold abroad were regarded as a sort of side line. A picture was supposed to pay for itself from exhibition in the United States and any profit from foreign sales was so much "gravy." To-day the export business of the largest American producers ranges from 30 per cent. to 35 per cent. of their total sales volume and cost of pictures is allocated between American and foreign sales.

Fruit Firm Takes Action Result of Duncan Charges

WINNIPEG.—The Acme Fruit Co. of Calgary has entered an action in the supreme court of Alberta against the attorney-general of Alberta, the attorney-general of Canada and Lewis Duncan of Toronto. The claim is made that the Combines Investigation Act is ultra vires, that the investigation conducted by Lewis Duncan into the fruit business has been conducted without regard to the provisions of the Inquiries Act and contrary to the principles of natural justice.

The plaintiff also asks for an injunction restraining Lewis Duncan from proceeding with the investigation and for a declaration that neither the attorney-general of Alberta nor the attorney-general of Canada is entitled to prosecute the plaintiff under the Combines Investigation Act. The Acme Fruit Co., the wholesale fruit house which has entered this action, is part of what is known as the Nash interests.

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GRINDING IN BOND VERY PROFITABLE FOR U.S. MILLER

Has Decided Advantage Over Canadian Mills in Shipping Rates

That there is an advantage enjoyed by United States millers in the grinding of Canadian wheat in bond, is shown by United States official returns by three months periods during the past three fiscal years. The figures are as follows:

	1921-22	1922-23	1923-24
July-Sept.	....	2,444,891	2,711,185
Oct.-Dec.	2,190,190	3,998,888	4,440,399
Jan.-Mar.	2,323,332	1,501,964	3,058,703
Apr.-June	1,659,326	1,335,044	3,694,550
	6,172,837	9,280,787	13,904,837

It will be noted that in the crop year 1923-24 the total reached the large quantity of over 13,900,000 bushels. The flour product of this quantity of wheat would be in excess of 3,000,000 barrels, while the offal by-product would be 222,000,000 or 111,000 tons. These three million barrels of flour made from straight Canadian wheat were sold abroad under United States trade names in direct competition with the product of Canadian mills. In the same twelve months Canada exported to countries other than the United States 11,973,916 barrels of flour.

Out of a total demand abroad for 15,000,000 barrels of flour of Canadian quality, U. S. millers supplied no less than 20 per cent. With free Canadian wheat for this export trade, U. S. millers have certain advantages in rates and position, which will always enable them to sell in competition with Canadian mills. Had the Canadian mills been in the competitive position natural and proper in view of all the conditions, then the extra 3,000,000 barrels might have been ground in Canadian mills, which would have represented an increase of 25 per cent. in export output.

What this would have meant to Canada may be indicated by the following calculations:

Manufacturer's costs of converting wheat into flour, including labor, selling, expense and overhead, but not including the cost of bags or other containers, may be estimated at approximately 65 cents per barrel. At this rate the costs on 3,000,000 barrels were $1,950,000. This amount was actually paid out in the United States in the year instead of being distributed to labor and capital in Canada.

Transportation Companies Lose

If Canada had milled this additional quantity, Canadian transportation companies would have moved 14,000,000 bushels of wheat to Canadian mills and would have moved 3,000,000 barrels of flour and 111,000 tons of offal from Canadian mills, whereas this wheat actually moved direct by water from Fort William and Port Arthur to U. S. ports chiefly in U. S. lake vessels, and no part of the product afterwards used Canadian routes.

As the milling-in-transit rate from Fort William-Port Arthur is 25 cents per hundred, or 50 cents per barrel, to Montreal and 26 cents per hundred, or 52 cents per barrel, to St. John and Halifax, the loss to Canadian transportation companies on the movement of the wheat to the mills and the flour to the seaboard was in excess of $1,500,000 on the assumption that all the flour was exported from Canadian ports and only a somewhat smaller amount if a portion, after shipment from Canadian mills, had been transferred by Canadian transportation companies to U. S. export routes. On the 111,000 tons of bran and shorts the additional earnings of Canadian transportation companies would have been 31½ cents per hundred, or a total of $638,300 if distributed for consumption in Canada, a substantial portion of $550,000 if exported.

An additional output of 3,000,000 barrels for Canadian mills would have meant an increase of approximately 15 per cent. in the total output of all merchant mills in Canada, with a very marked effect on costs and prices, from which Canadian consumers must have benefited because of the keen competition among Canadian mills for the domestic trade, and which would have enabled the millers to further extend the market abroad for Canadian flour by meeting competitive prices. Only two or three U. S. milling companies now benefit by this business in the United States and, in any case, Canadian wheat thus ground is so insignificant a fraction of the total output of United States mills that it cannot materially affect costs there in the interests of the world's consumers.

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BRITISH EMPIRE TRUST

Satisfactory Result of Year's Business—Dividends Maintained—Progress of Allied Companies

The Twenty-Fourth Ordinary General Meeting of the shareholders of the British Empire Trust Company, Limited, was held on 15th June at the Abercorn Rooms, Great Eastern Hotel, Liverpool-street, London, Eng., Mr. J. Davidson (deputy chairman and managing director) presiding.

The Secretary (Mr. H. M. Cox) having read the notice convening the meeting and the report of the auditors,

The Chairman said:—Ladies and gentlemen,—Are you willing to adopt the usual practice of taking the report and accounts as read? (Agreed.) That being so, in the absence of the chairman of the company (Mr. R. M. Horne-Payne), I shall, with your permission have pleasure in reading his address. It is as follows:—

MR. HORNE-PAYNE'S ADDRESS

"Year by year, for the last five years, owing mainly to appreciation of investments, the surplus which we have carried forward has been largely increased. This year, as was not unexpected, we have had to face depreciation of investments, and have also had to make provision for writing the market valuations of our dollar investments down to the rate of exchange current at April 30 last, viz., 4.84½. As this rate is within two cents of par of exchange, such provision will not have to be repeated. As stated in the report, we are in the comfortable position of having met these contingencies and still having left the substantial sum of £87,042 19s. 9d. to carry forward to the current year after paying dividends for the present year of 5 per cent. on our Preference shares, 8 per cent. on our employees' shares, 5 per cent. on our Preferred Ordinary shares, and 7 per cent. on our Deferred Ordinary shares. I think you will agree that this is a satisfactory result of the year's business, having regard to the circumstances I have referred to above. With the return to the gold standard and the consequent stabilization of the dollar rate of exchange, we are looking forward to a return to more active business conditions in London, so far as Canadian investments are concerned.

"I will now make a few remarks upon the more prominent companies with which we are intimately connected.

British Columbia Electric Railway Company

"The British Columbia Electric Railway Company, Limited, continues to show the most satisfactory prosperity and progress. Its last completed year was a record in every department. Approximately, passengers carried were 68,000,000, as against 67,000,000 in the previous year. Electric power delivered was 216,000,000 k.w.h., as compared with 192,000,000 k.w.h. in the previous year, and the number of consumers served increased from 76,900 to 80,700. Gas sold was 686,000,000 cubic feet, compared with 606,000,000 cubic feet in the previous year.

"During the present financial year commencing July, 1924, an increase in net earnings has been reported each month as compared with the corresponding month of the previous year. The shipment of grain from Western Canada via Vancouver to all the great markets of the world is only just commencing, and this, together with the shipment through Vancouver of merchandise destined for the Western Provinces of Canada, will before long make Vancouver one of the greatest ports in the Empire.

Canadian Western Lumber Company, Limited

"The year 1924 did not prove so favourable for the Canadian Western Lumber Company as the year 1923. This was not unexpected as the latter year's operations were unusually good. During 1924 the volume of lumber sold showed a substantial decrease, and for the first three months of 1925 sales showed a further heavy decrease even as compared with the lower sales of 1924, while prices realized were also substantially lower. Notwithstanding these adverse conditions, the company was able in 1924 to provide the current interest on its 5 per cent. First Mortgage Debenture Stock and make a payment towards reduction of arrears of the First Mortgage Debenture Sinking Fund. The cabled figures of lumber sold during April show an improvement of 2,442,276 feet, as compared with April, 1924. How long the depression will continue it is impossible to say, but during the last few years the company has improved its position and can face without serious anxiety any reasonable period of adversity.

Winnipeg Electric Company

"Last year I informed you that the proposals of the Winnipeg Electric Railway Company to alter their 4½ per cent. Perpetual Consolidated Debenture Stock to a 5 per cent. 30-year Refunding Mortgage Stock had been agreed to by the Debenture holders, and would come into effect if the necessary confirmation was obtained from the shareholders of the company in Canada. This confirmation was obtained and the proposals have been given effect to.

"The company report that their financial programme, of which the above proposal was a part, has been successfully carried out and provision made for extensions for the next two years. A dividend of 1 per cent.—the first since the end of 1915—was paid on the Ordinary shares on February 1, 1925.

"The company also report that the comparatively dull business conditions which have prevailed in Winnipeg during recent years continued throughout 1924, but that the general tone in business in Greater Winnipeg now appears to show a distinct tendency towards improvement, and that added commercial activity is apparent."

Canadian Northern Prairie Lands Company, Limited

"The Canadian Northern Prairie Lands Company is in a very strong position. Its assets at the end of 1924 amounted to $3,861,787, while its only liabilities other than the Ordinary share capital of $1,500,000 amounted to $77,503.

"Dividends at the rate of 10 per cent. have been regularly paid on the Ordinary shares for the last five years, and the reserve fund stands at $1,500,000, an amount equal to the whole of the share capital. There is also a surplus of $784,284."

Canadian Western Natural Gas, Light, Heat, and Power Company, Limited

"Development of the Canadian Western Natural Gas, Light, Heat, and Power Company's comparatively new gas field at Foremost continues to show satisfactory results. In July, 1924, well No. 4 was completed with a capacity of 15,000,000 cubic feet of gas per day, thus bringing the company's gas supplies at the Foremost field up to a present total of 43,500,000 cubic feet per day. In October, 1924, a pipe line connecting the Foremost gas field with the company's existing main pipe line was satisfactorily completed and put into service.

"It is the intention of the company to continue development in the Foremost field during the summer of 1925.

"There seems every reason to believe that the company has now a supply of gas adequate to meet the needs of the populations served, and that it will be able to satisfy all requirements and maintain a considerable surplus of gas for many years to come.

"The result of increased gas supplies is reflected in the earnings of the company, which for the seven months ended April, 1925, were $972,805, as compared with $703,815 for the seven months ended April, 1924, an increase of $268,990.

Monterey Railway, Light, and Power Company

"The Monterey Railway, Light, and Power Company continues to be adversely affected by political conditions in Mexico.

"In spite of this, the company has paid regularly the interest on its 5 per cent. 'A' First Mortgage Debenture stock, and has also provided the annual sinking fund payment due January 1, 1925, in respect of this stock.

"It does not, however, appear possible to expect that a settlement can be arrived at with the State of Nuevo Leon regarding the moneys due to the company under the guarantee by that State in connexion with the water and sewage concession until an improvement takes place in political conditions.

West Gloucestershire Power Company, Limited

"Last year I told you that we had undertaken the finance of the West Gloucestershire Power Company, Limited. The company has so recently issued its report that there is little information that I can give you, except that the company continues to lay down service lines as rapidly as possible. The total transmission lines now built amount to 60 miles. Negotiations are in progress with consumers whose individual requirements are large, and the indications are that before long the demands will reach a total which will require the company to instal additional plant. At a time of industrial depression, when industries are reluctant to incur the capital expenditure necessary to extend the use of electricity, this is not unsatisfactory. Much is being talked at the present time about schemes and legislation for the encouragement of the extension of electricity supplies. If such encouragement be given on an economic basis and be not accompanied by vexatious rules and regulations, good will doubtless result, but if it takes the form of departmental interference with existing companies and the building of large stations ahead of requirements to the detriment of stations not yet loaded up, it will only add to the burdens of the taxpayer and bring electrical power finance into discredit. We and others are carefully watching developments."

Before inviting any comments or questions I should like to move: "That the accounts for the year ended April 30, 1925, and the reports of the directors and auditors thereon be received and adopted."

Mr. D. Northall-Laurie, F.I.C., seconded the resolution.

Mr. A. G. Low asked if the Canadian Western Natural Gas, Light, Heat, and Power Company had been taken over by another company.

The Chairman, in reply, explained that all that had happened was that the majority of the shares had been acquired by the International Utilities Corporation—an American company.

The resolution was carried unanimously.

The Dividends

The Chairman next moved: "That the payment of the dividends on the 5 per cent. Cumulative Perpetual Preference shares for the year be approved, and that the following dividends—viz., at the rates of 5 per cent. and 3 per cent., making 8 per cent. per annum on the Employees' Profit Participating shares, 5 per cent., per annum on the Preferred Ordinary shares, and 7 per cent. per annum on the Deferred Ordinary shares—be and they hereby are declared in respect of the year ended April 30, 1925, payable to all shareholders of record on June 15, 1925."

Mr. T. Blundell Brown seconded the resolution, which was unanimously agreed to.

Mr. D. Northall-Laurie, F.I.C., and Mr. D. B. Hanna, the retiring directors, were re-elected, on the motion of the Chairman, seconded by Major the Viscount Stopford, O.B.E.; and Messrs. Robertson, Hill, and Co., chartered accountants, were appointed auditors of the company for the ensuing year, on the proposition of Mr. Low, seconded by Mr. W. H. Uridge.

Mr. Low said that, in view of the very good report presented, he did not think the shareholders ought to part without giving a hearty vote of thanks to the chairman and directors, and also to the staff of the company, for the services they had rendered during the past year.

Mrs. Alice M. Jones seconded the vote, which was unanimously accorded, and, the Chairman having briefly acknowledged the compliment, the proceedings terminated.

The Securities Markets

MARKET SITUATION VERY UNCERTAIN; RISK IS GROWING

Crop the Next Canadian Factor That Might Affect Stocks — New York

MARKET INDICATOR
(20 Industrial Stocks)

Week June 29		Week June 24		June, 1924	
75.6	73.8	76.5	74.2	68.2	64.3

The Canadian markets have been quiet, holding their high level fairly well. The volume of business is small. It is a traders' market, to all intents, with individual issues featuring. Students of the market cannot see any important Canadian factor that will influence the market one way or another until reliable data is available on the crop, and this, to be reliable, cannot come until the harvest is garnered, as there are so many factors that may enter at any time to change its whole aspect. There is, however, a foreign factor, the situation in New York. It is dominant at the moment.

If there comes a serious break in New York it is bound to influence the Canadian exchanges and Canadian stocks, brokers contend. They say it will force a certain amount of liquidation. Some believe that 6 per cent. call money, if it continues, will be bound to influence selling. On the other hand there is the favorable taxation outlook which is having a powerful psychological effect and which some believe will overshadow and offset the rise in money rates. But aside from this, brokers make the point that the markets are high, both in the United States and Canada, and the point to be decided is whether it is going to be profitable to carry stocks at their present high level on 6 per cent. money. Some Canadian brokers are advising their clients to keep out of the New York market entirely.

Investment Demand Eases

The table appended below gives a good idea of the market activity of the past week. Only about one quarter of the stocks on the board had activity enough to make for even fractional price changes, up or down. The banking group which has enjoyed considerable attention of late because of investment demand was very quiet and the same may be said of most of the general stocks that are regarded as in the investment class.

There were a few fractional changes in the paper group, but nothing of any account, while some of the steel issues did better. Ontario Steel common moved to a new high for the year, 59½, while Steel of Canada preferred reached the previous high for the year, 112. There was no special news about in regard either issues. Lake of the Woods common and International Milling were a little stronger while old Canada Bread and Maple Leaf were fractionally weaker. Bell Telephone and Shawinigan which with Consumers Gas and Montreal Power, have faced a steady investment demand for some time, were both off, while Montreal Power and Quebec Power each did a little better. The talk of taking over the C.P.R. by the Government and guaranteeing shareholders' dividends brought that stock up from 140 to 1b5 during the week, while the complicated D.U.R. situation forced that stock to a level of two, the lowest in its history. Penman's dropped better than a point, being the only textile to get attention at all. The two asbestos issues were up again seven and five points. Atlantic Sugar preferred, which has faced a steady demand for some time, moved 1½ higher. Davies "A" is becoming quite scarce and on slight demand the price improved 2½. Christie Biscuit common sold at 56½. No preferred came out here but it is reported that it sold in New York at 165 which is a basis of 55 for the common. The two Gillman stocks continued their upward move. The trend of the market is shown as follows:

Group	Gain	Losses	Unch.	Total
Banks	2	2	6	10
Paper	3	0	8	11
Steel	2	0	5	7
Milling	2	2	6	10
Utilities	2	2	6	10
Tractions	1	1	8	10
Textiles	0	1	9	10
Industrial	6	3	20	29
	18	11	68	97

Besco Mill Shuts Down Due to Lack of Orders

From Our Own Correspondent

MONTREAL.—In all, some 800 men will be added to the number of unemployed in the Cape Breton district of Nova Scotia, through the closing down this week of the blooming and billet mills of the British Empire Steel Corporation and the closing of the blast furnace and open hearth early next week. The rod and wire mills will operate on a four-day-a-week basis only.

The reason for the shut down given at the general offices of the corporation was a falling off in orders. No other comment was made.

There is no apparent change in the situation affecting the differences between the company and the miners which has now dragged along for almost four months. The two parties still seem widely separated and the miners have no intention of accepting the company's ten per cent. wage reduction coupled with one or two other changes from the 1924 scale of wages.

This week, fire destroyed the warehouse, trestle and compressor house at bank head number 11 near Glace Bay. The loss is a heavy one; as yet, the cause of the fire has not been ascertained.

Consolidated Smelters Lists Additional Stock

Montreal Stock Exchange has approved of the listing of an additional 76,645 shares of Consolidated Mining and Smelting, par $25, value $1,916,125, making the listing 508,181 shares, value $12,704,525 out of an authorized issue of $15,000,000. The new listing covers stock to be exchanged for bonds and 125 shares issued to employees as a bonus. The exchange is one share of stock, present market about 82, for each $50 par value of bonds for a $100 bond, a premium of $64 is given at the present value of the shares on the open market.

'Lantic Sugar Production Sold Until September

From Our Own Correspondent.

MONTREAL.—Atlantic Sugar Refineries has experienced exceptionally good business for the first six months of the year. At the moment, their output until well on in September has been sold. The company has been operating in capacity for some months which means a monthly output of 40,000,000 pounds of sugar. Present indications are that the demand in the export market will continue for the remainder of the year. In 1924 sugar exports were exceptionally small, but considerable improvement has been shown during the current year.

The company has a large sugar liability amounting to something over $3,000,000. From time to time it has been stated that the company would do something towards funding this liability, but there is nothing definite to be said along this line at present. For some time also, there has been a talk of negotiations for control by new interests—as yet this really only amounts to rumour and it is impossible to ascertain definite news.

Cape Breton Electric Earnings Have Dropped

MONTREAL.—The gross and net earnings of the Cape Breton Electric Company for the month of April show a decided decrease from the corresponding month of the preceding year. The figures for the past twelve months also show a decided drop from the preceding twelve month period.

The figures are as follows:

	April, 1925	April, 1924
Gross	$47,579.59	$58,013.89
Operating	40,848.28	43,473.80
Net	6,731.31	14,540.09
Interest	5,705.28	5,694.00
Balance	1,026.03	8,846.09
For 12 mths. ending Apr. 30.	1925	1924
Gross	627,811.21	715,419.92
Operating	523,282.60	578,560.18
Net	104,528.61	136,859.74
Interest	68,430.93	68,145.54
Balance	36,097.68	68,714.20

POWER CORP. BUYS BLOCK OF 'PEG RY.

Part of Sir William Mackenzie Estate Holding Reported As Sold

It is reported that Power Corp. of Canada has purchased a block of Winnipeg Electric from the estate of Sir William Mackenzie, the largest individual shareholder. Power Corporation of Canada was recently incorporated with a capitalization of $10,000,000 par value in two classes of preferred shares with 250,000 shares common of no par value. The object of the company is to acquire and hold securities of electric power and light companies, and to operate and manage and act as fiscal agents for these, as well as to deal in other securities.

According to the official prospectus the market value of common stocks already acquired by the Power Corporation is over $2,500,000. A list of companies in which they state they have acquired a controlling stock interest include: Ottawa and Hull Power, Canada Northern Power, Ottawa River Power and Montreal Ottawa Power. They also admit holding a substantial interest in East Kootenay Power, Southern Canada Power, Winnipeg Electric, Dominion Power and Transmission and Manitoba Power.

The properties mentioned in which the Power Corporation is interested are scattered throughout Quebec, Ontario, Manitoba and British Columbia and have an installed capacity of over 300,000 horse power with an ultimate capacity of 600,000 horsepower and serve a population of over a million.

A few days ago they made a public offering of their six per cent., cumulative preference shares and stated that the purpose of the issue was to provide funds to acquire additional holdings.

STERLING APPRAISAL COMPANY
CERTIFIED REPORTS

Ottawa-Montreal Power 6½% Bonds

Due 1949

This Company operates in the territory to the West and North of Montreal where there is an increasing demand for power. At present, over 40 municipalities are being served with light and power under generally exclusive franchises.

Price to yield about 6.40%

NESBITT, THOMSON and Company, Limited
305-7 Bank of Hamilton Bldg.
TORONTO
Montreal | Hamilton
London, Ont. | Winnipeg

International Petroleum

This Company, often called the Standard Oil of South America, produced last year approximately 6,500,000 bbls. Upon completion of pipe-line from Columbia to Atlantic Sea Board production can be increased to over 10,000,000 bbls. per annum and profits consequently increased. International Petroleum shares seem to offer unusual possibilities for good returns to investors at present levels. Our Bulletin on International Petroleum shows the possibilities of this stock. Send for a complimentary copy.

F. R. Graham & Co.
Members Toronto Stock Exchange
293 Bay Street—Toronto

$250,000
Getty & Scott, Limited

(Established Galt, Ontario, in 1900)

First Mortgage 7% Sinking Fund Gold Bonds

Dated July 2, 1925. *Maturing July 2, 1940.*

Interest payable half-yearly (January 2nd and July 2nd) and principal and interest payable in gold at the office of the Bank of Toronto at Galt, Ont., Toronto, Ont., Montreal, Que., and at the National Bank of Commerce, New York City.

REDEMPTION

Bonds may be called for Sinking Fund purposes during the first five years at 105; during the second five years at 103½ and during the last period of five years at 102. Bond issue may also be called as a whole after 1930 at the aforementioned prices and accrued interest.

Denominations: $1,000, $500.

TRUSTEE

The Toronto General Trusts Corporation, Toronto.

LEGALITY

The legal work in connection with this bond issue is approved by Messrs. Holmested & Sutton for the Company, and by Mr. E. G. Long, K.C., for W. A. Mackenzie & Company.

CAPITALIZATION

Capital Stock, Fully Paid	$400,000.00
First Mortgage Bonds (Closed Mortgage)	250,000.00

SECURITY—These bonds constitute a First (Closed) Mortgage on the property, plant, stock and other assets of Getty & Scott, Limited, Galt, Ont., manufacturers of women's and children's footwear and one of the oldest and most successful shoe manufacturers in Canada.

SINKING FUND—The Trust Deed securing this issue provides for a Sinking Fund, commencing 1927, of $10,000 per annum, plus the interest from cancelled bonds.

From letters from the President of the Company, Mr. F. S. Scott; from the Auditors, Messrs. Thorne, Mulholland, Howson & McPherson, and from The Canadian Appraisal Company (the originals of which are on file at our office) we summarize the following information:

1. ASSETS.—Total assets of the Company, excluding goodwill, $782,797, or more than three times the amount of the bond issue.
2. EARNINGS.—Average earnings for the past fifteen years, after providing operating expenses, maintenance charges and providing for losses caused by the deflation and post-war conditions, have been $36,864 per annum, while earnings for 1924 amount to $38,012. Normal earnings of Company would be about $75,000 per annum. Estimated that when turnover again reaches one million dollars earnings will be over $100,000 per annum.
3. LIQUID POSITION.—Net current assets of Company are $171,478, or almost 70% of amount of bond issue, and Trust Deed provides that, while present bond issue is outstanding, net current assets must not be allowed to get below $150,000.
4. ADDITIONAL SECURITY.—Life insurance in an amount of $100,000 on the life of Mr. F. S. Scott, President of the Company, will be assigned to the Trustee as additional security for these bonds, and, in the event of death of Mr. Scott, proceeds of insurance will be used to retire bonds.
5. MANAGEMENT.—The direction of the Company since its inception has been in the hands of Mr. F. S. Scott, admitted to be one of the most capable executives and best manufacturers in the shoe business in Canada. Mr. Scott has entered into a contract to continue in the direction of the affairs of Getty & Scott, Limited, for a period of ten years, thus insuring a continuance of the splendid management that has always attended the affairs of the Company.

THE BUSINESS OF GETTY & SCOTT, LIMITED, WAS ESTABLISHED IN 1900 AND HAS SHOWN STEADY AND CONSISTENT GROWTH WITH RESULTS THAT HAVE BEEN EXCEEDINGLY SATISFACTORY.

We offer the above-described issue of bonds of Getty & Scott, Limited, if, as and when issued and received by us.

PRICE: Par and accrued interest, yielding 7%.

W. A. Mackenzie & Company

Investment Bankers

217 Bay Street | TORONTO, CANADA

ASBESTOS CORP. HAS THE DETAILS OF AMALGAMATION

Directors Now Have Final Plan Before Them

From Our Own Correspondent.

MONTREAL—The guiding spirits of the Asbestos Corporation of Canada are to again consider the question of the merger. Many times now have the representatives of Dillion, Read & Co. approached the corporation with a practically completed scheme, and each time the corporation has suggested improvements to the agreement; officers in the Asbestos Corporation are eager for the merger, they say, but only on lines which they consider as being equitable, in so far as the shareholders are concerned.

Although everything has seemingly been adjusted, The Financial Post understands that there yet remain one or two minor details which might delay the entry of the corporation into the merger. The last hitch occurred in connection with a bond issue of one of the component companies, the Black Lake Asbestos and Crome Co.; it is understood that this has been arranged to the satisfaction of all and that, as has been said, the final plans for the merger are now before the directors of the Asbestos Corporation. Those who are close to the negotiations feel that there remains nothing which can upset these arrangements, so that if the directors in the Asbestos Corporation can find no flaw in the proposal and sign the agreement this week, the merger is an accomplished fact, as all the other companies only await the corporation's assent.

The Capitalization

It is understood that the capitalization of the new merger will conform to the announcement which was made some time ago, that is, as follows:

6 p.c., 30-year bonds	$5,000,000
7 p.c., cum., pref. stock	5,000,000
6 p.c., second pref. stock	4,700,000
Common stock of no par value, shares	200,000

Notwithstanding the keen competition that has prevailed, and the trade depression noted until recently, the New York bankers have found that the earning power of the units included in the merger is sufficient to cover all fixed charges, seven per cent. on the preferred issue, carry an increased return on the second preferred as compared with the current yield on the common—and show an equity equivalent to $50 a share on the new common.

Earning power, therefore, is the basis upon which the merger was undertaken and carried out. Every issue has been safeguarded. Surplus production of the Johns-Manville, Keasbey and Mattison and Phillip Carey companies—the three manufacturers and distributors—will be marketed through the merger.

Moreover, it is not improbable that the South African producers will join in the endeavor to maintain the morale and promote the material prosperity of the asbestos industry throughout.

Economical plants will be operated to increased capacity. Uneconomical mines and mills for the time being will be shut down. Already the Asbestos Corporation's new mill is being doubled in capacity. Other mills will be remodeled. One or two new mills will be erected later on.

One report issued this week stated that the voting trust, which is to administer the amalgamation during the years of its infancy, will consist of Frank P. Jones, J. W. McConnell and E. G. Wilmer, of Dillon, Read & Co. As to the last two, they may be in the voting trust, but with regard to Frank P. Jones, president of the Canada Cement Co., Mr. Jones told your correspondent that he had heard nothing of it, other than seeing the report in the press. Probably those who are picked to guide the company during the next few years will not be approached until the merger is an accomplished fact.

Those who were instrumental in the merger are taking as their remuneration shares of the new common stock. The bond holders of the Asbestos Corporation will receive an increased return. The preferred shareholders will receive one share of first preferred, one share of common stock and 1/10 share of second preferred for one share in the old company; the common shareholder will receive a share and 1/10 shares of the new second preferred and also a 100 per cent. bonus of the new common stock.

Winnipeg Electric Co. Declares Dividend

From Our Own Correspondent.

MONTREAL.—Winnipeg Electric declared another interim dividend of one per cent. This makes two per cent. paid so far this year, and indications point to the possibility of such a dividend rate being maintained, though there is no official news to confirm this. The interim dividend is payable on August 1.

Although the gross earnings of the company for the month of May are down approximately $10,800 as compared with the same month of the preceding year, yet the operating expenses have also been reduced for the month to the extent of ovr $25,000; this has resulted in the net earnings showing a marginal increase over the same month of last year.

Southern Canada Power Earnings Still Increase

MONTREAL.—The monthly earnings of the Southern Canada Company have been steadily moving upwards. The month of May, 1925, proved no exception to the rule. Not only did the gross earnings show a decided increase over May of last year, but the operating expenses showed a decline. This resulted in an increase of over $13,000 in the net earnings for the month. Both the gross and the net profits for the first eight months of the company's fiscal year have made a substantial gain on the figures of 1924.

	May, 1925	May, 1924
Gross	$95,712.52	$83,841.34
Operating	38,099.71	39,455.05
Net	57,612.81	44,386.29

The Stock Market Record

WEEK ENDING JUNE 29

	Div. Rate	Yield June 27	High for wk.	Low for wk.	Close June 29	Close June 23	Sales	Range 1925 High	Low
Banks—									
Commerce	12	5.95	205	204	204½	204	203	210	194¾
Dominion	12+1	6.76	199½	199	199½	200	83	200¼	189
Can. Nationale	10	6.66	151	150	150	151	16	151	148
Imperial	12	6.34	189	187⅛	189	200	156	193	184
Montreal	12	4.83	248½	248	248	248	70	250	240½
Nova Scotia	16	5.90	272	270½	271	269	41	272	262
Royal	12	5.10	235½	234	234½	235	77	237½	227½
Standard	12	6.93	174	173	174	172	26	175	170
Toronto	12	5.91	203	203	203	203	17	221	192¾
Union	8	6.94	115½	114½	115	115	151	117½	105
Paper—									
Abitibi, com.	4	5.88	68	67¼	68	66½	1275	75	62
Do. pref.	7	6.93	101	101	101	108	2	108	101
Brompton Pulp	.	....	20½	20¼	20¼	20½	585	33¼	20¼
Laurentide	6	7.76	77¾	75	77¾	73	767	87⅞	75
Price Bros.	2	4.93	41	40	40¼	40	2620	41	35⅜
Prov. Paper, com.	6	5.53	..	..	..	..	..	111¼	88¾
Do. pref.	7	7.00	..	..	..	..	..	102	95
Belgo, com.	6	7.14	..	..	..	..	..	86	84
Do. pref.	7	7.27	96¼	96	96	97½	7	99	96¾
Smith, Howard, com	.	....	40	38	39	38	327	42	21¼
Do. pref.	8	7.69	104	104	104	103	5	104½	69½
Spanish River, com.	7	6.65	105¼	104	105	104	570	111¼	87
Do. pref.	7	6.08	117	114	117	114¾	365	127	112½
St. Maurice Paper	6	7.14	..	..	..	..	..	86	80
Wayagamack	.	....	44	44	44	44	45	52	34½
Steel and Steel Industries—									
B. E. Steel, com.	.	....	2	1¾	2	1¾	790	3¾	1½
Do. 1st pref.	.	....	24	23	23½	26	66	34	23
Do. 2nd pref.	.	....	7½	7	7	8¼	808	11¾	7
Can. Car & Found., com.	.	....	39	39	39	39	30	50⅞	39
Do. pref.	7	8.48	82½	82	82	82	100	90¼	80
Can. Foundries, com.	.	....	..	..	..	..	..	35	20
Do. pref.	.	....	..	..	..	..	..	50	45
Can. Locomotive, com.	.	....	..	..	..	..	..	71⅞	64
Do. pref.	7	8.75	..	..	..	..	..	90	80
Dominion Coal	.	....	..	..	..	..	..	50	40
Dominion Iron, pref.	.	....	..	..	..	..	..	28	25
Dominion Radiator	7	7.00	..	..	..	..	..	102½	100
Dominion Bridge	4	4.44	90	90	90	90	85	94½	77½
Dom. Steel Corp., pref.	.	....	..	..	..	..	..	38	25
N.S. Steel, pref.	.	....	..	..	..	..	..	32	28
Ontario Steel, com.	4	6.72	59½	58	59½	57½	135	59½	43
Steel of Canada, com.	7	8.14	86⅛	86	86	86½	250	89	75¼
Do. pref.	7	6.25	112	109¾	112	110	57	112	105
Milling—									
Canada Bread, com.	4	3.15	127	127	127	128	15	130	98⅛
Do. pref.	7	6.76	103⅛	103½	103½	104⅛	173	107½	100
Inter. Milling, pref.	7	7.07	99	99	99	97	18	102	97
Lake of Woods, com.	12	6.59	182	181½	182	179	39	188	176
Do. pref.	7	5.60	..	..	..	..	..	125½	121
Maple Leaf, com.	.	....	..	..	..	..	..	100	80
Do. pref.	7	7.14	99	98	98	99	35	101	96
Ogilvie Flour, com.	3¾	....	143	143	143	141	31	150	135
Do. pref.	7	5.60	125	125	125	125	40	127	121½
Shredded Wheat, com.	10	6.45	..	..	..	..	..	155	155
St. Law. Flour, com.	4	....	32	32	32	32	2	[illegible]	[illegible]
Do. pref.	7	8.91	80	78½	78½	80	35	80	78½
West. Can. Flour	8	7.37	108⅛	108⅛	108	110	120	112	107
Utilities—									
Bell Telephone	8	5.82	137¼	136	136	137	469	140	133
Consumers Gas	10	5.86	171	170	170	170	62	172½	164
Kaministiquia	8	7.27	..	..	..	..	..	125	100
Laurentide Power	5	4.95	..	..	..	..	..	101	93¼
Mackay, com.	7	5.42	130	126	128	125	912	130	114½
Do. pref.	4	5.79	69	68⅛	68½	68	352	69½	67
MexicanLight, com.	.	....	23	23	23	25	200	26⅛	22
Do. pref.	.	....	..	..	..	..	..	62⅜	57
Mont. L. H. & Pr. Cons.	8	4.21	190	187½	189½	187½	1290	193	152
Montreal Telegraph	8	6.83	47	46½	46½	46	151	55	45½
Ottawa L. H. & Pr.	6	6.25	96	95¼	95¼	95½	65	105	95
Do. pref.	6½	6.43	101¼	101	101¼	102	36	105½	105
Quebec Power, com	5	4.77	104¾	103	104¾	103	72	104¾	80
Do. pref.	7	6.54	110	110	110	107	1	110	103½
Shawinigan	7	4.59	152	150¼	150¼	152	687	155	130½
South. Can. Power, com.	1.00	....	79	78½	78½	78½	80	84	67
Transportation—									
Can. Pacific Rly.	10	6.89	145	140	144	140¼	538	152¼	137
Can. Steamships, com	.	....	11	10	11	11	60	13¼	10
Do. pref.	.	....	44¼	43½	44	45	142	50	42
Tractions—									
Barcelona	.	....	21	20½	21	20⅝	200	24⅛	18¼
Brazilian	4	7.14	56¼	55¼	55½	55⅛	2842	57½	49¾
Detroit Un. Rly.	.	....	3	2	2	3	1075	29	2
Duluth-Superior	.	....	35	34	34	34	35	42	34
Illinois Traction, pref.	6	6.31	..	..	..	..	..	95½	92
Montreal Trams.	10	6.06	..	..	..	..	..	173	160
Ottawa Traction	4+1	7.87	63½	63½	63½	64½	60	65¼	62
Porto Rico Rlys, com.	.	....	..	..	..	..	..	46¾	35½
Do. pref.	7	7.95	..	..	..	..	..	91¼	84
Quebec Rly.	.	....	..	..	..	..	..	24½	20
Twin City, com.	4	6.10	67	65½	66½	66	470	70	58
Do. pref.	7	....	..	..	..	..	..	97	94½
Winnipeg Elec., com.	1	....	47	46	47	47	705	49½	35¾
Do. pref.	7	7.42	94	93¾	94	93½	170	98	88
Textiles—									
Can. Conn. Cotton, pref.	1	....	39¼	39	39¼	39	75	50	39
Can. Converters	7	8.33	84	83¼	84	83¼	60	87	80
Can. Cottons, com.	8	6.95	115	115	115	117	10	117	106
Do. pref.	6	6.31	..	..	..	..	..	95	90
Can. Woollens, com.	.	....	10	10	10	10	30	14½	5
Do. pref.	.	....	56	56	56	56	15	58	40
Dom. Textile, com.	5	6.51	77¼	76¾	77	77¼	400	79¾	66
Do. pref.	7	6.00	..	..	..	..	..	116½	111
Monarch Knitting, com.	.	....	..	..	..	..	..	45	30
Do. pref.	.	....	..	..	..	..	..	80	45
Montreal Cotton, com.	6	6.06	99	99	99	98½	13	99	95
Do. pref.	7	6.14	114	114	114	114	1	114½	109
Penmans, com.	8	4.98	162⅞	161	161	162½	193	166	144
Do. pref.	6	6.00	100½	100	100½	100	17	101	99
Wabasso Cotton	4.00	7.14	56	56	56	56	25	60	55½
General Industrials—									
Amer. Salesbook, com.	4.00	8.04	49¾	48½	49¾	48½	220	50½	38
Do. pref.	7	7.52	93¼	93	93	93	56	93¼	88
Asbestos, com.	1	....	81¼	75	80	73	3430	81¼	35
Do. pref.	6	5.38	114	108	114	109	5830	114	73½
Atlantic Sugar, com.	.	....	31½	30¼	31¼	30¼	1768	32	13
Do. pref.	.	....	75¼	73	73¼	73¼	585	82	40
Bird & Son, pref.	7	....	..	..	..	..	..	83	80
B. C. Fishing	.	....	42	40½	41¼	42	687	42	19
Burt, F. N., com.	10	4.78	52¼	52⅛	52¼	52	117	54¼	44
Do. pref.	7	....	..	..	..	..	..	200	142½
Canada Cement, com.	6	5.82	103	102½	102½	103½	272	110½	90½
Do. pref.	7	6.19	114	113	114	114	109	115½	187
Cons. Rubber, pref.	7	....	..	..	..	..	..	90	86
Can. Gen. Electric, pref.	7	6.57	53¼	52½	53¼	53	339	55⅛	51
Can. Indust. Alcohol	1.28	8.12	16¾	15	15½	16¾	855	20½	14
Canadian Salt	8	6.01	133	125	133	123	60	133	112
Christie Biscuits, com.	.	....	..	..	..	..	..	56½	31¼
Do. pref.	7	5.93	..	..	..	..	..	118	109½
City Dairy, com.	12	4.06	80	79	80	79	115	87¼	65
Do. pref.	7	6.52	107¼	107	107¼	107	16	110	104½
Crows Nest Coal	3	6.81	44	43¾	43¾	46	25	49½	35
Cuban Can. Sugar, com.	.	....	6	6	6	5¼	25	10	5
Do. pref.	.	....	..	..	..	..	..	44½	31
Dom. Canners, com.	.	....	110	102	102	98	76	110	97
Do. pref.	7	6.57	107⅛	105½	106	110	426	113	56½
Dom. Glass, com.	7	6.16	..	..	..	..	..	116⅞	108½
Do. pref.	7	6.30	..	..	..	..	..	112	110¼
Dominion Stores, com.	1.00	....	35	35	35	35	100	35	28½
Do. pref.	8	8.16	98	98	98	98	15	101	97
Wm. A. Davies	.	....	27½	24½	27½	24	180	32	24
Dodge Bros.	.	....	24	24	24	24½	35	24½	22
Do. pref.	7	8.38	..	..	..	..	..	83½	80½
Eastern Theatres, com.	.	....	..	..	..	..	..	15	14
Do. pref.	7	9.52	..	..	..	..	..	76	70
Ford Motor	10	....	..	..	..	..	..	512	500
Frontenac Brew., com.	.	....	..	..	..	..	..	65	54
Do. pref.	7	7.00	..	..	..	..	..	100	100
Goodyear Tire, pref.	7	7.60	92	91	92	92½	85	100½	90
Gilman, com.	.	....	100	99	100	98	110	100	80
Do. pref.	7	6.39	110	109½	109½	106¼	181	110	100¼
Holt, Renfrew, pref.	7	8.97	78	76¼	76¼	78	18	82	65
King Ed. Hotel	.	....	..	..	..	..	..	27	20
Lyall Construction	.	....	21	19½	20	21	330	29	11
National Brew., com	.	....	44½	43¾	43¾	44	1120	68	41¼
Do. pref.	7	7.07	..	..	..	..	..	106½	98
National Brick, com.	.	....	..	..	..	..	..	..	..
Do. pref.	7	9.45	74	74	74	75	15	79½	70
Pacific Burt, com.	6	6.41	..	..	..	..	..	96	91½
Do. pref.	7	6.98	101	100⅜	101	101	27	107	101
Port Hope Sanitary, com	.	....	64⅜	64⅜	64⅜	63	10	64⅜	53
Do. pref.	7	7.58	..	..	..	..	..	92⅛	88½
Pure Gold Mfg.	50c	....	24	24	24	23½	25	25⅛	23½
Rogers, Wm. A. com.	.	....	59	58	58	58½	45	65	58
Do. pref.	7	7.86	90¾	89	89	88½	11	95	88
Russell Motor, com	.	....	..	..	..	..	..	35	24
Do. pref.	7	8.23	..	..	..	..	..	86	74½
Sawyer-Massey, pref.	.	....	15	15	15	12	25	15	5
Sherwin-Williams, com.	6	4.70	..	..	..	..	..	130	115
Do. pref.	7	6.48	108¼	107¾	107¾	108	40	100	104¾
Sterling Coal	4	9.87	..	..	..	..	..	53	40
Tooke Bros., com.	.	....	..	..	..	..	..	8	8
Do. pref.	.	....	62⅛	62⅛	62⅛	60	6	62⅛	37
Tuckett Tobacco, com.	4	6.40	64	62½	62½	65	35	70	59
Do. pref.	7	6.93	101	101	101	101	45	102¼	96¼
Woods Mfg., com.	.	....	..	..	..	..	..	49	20
Do. pref.	7	10.00	..	..	..	..	..	75	64⅛
Western Grocers	.	....	7	7	7	6½	75	11¼	4½
Trust and Loan—									
Canada Land	10	5.31	94	94	94	94	32	97	80
Can. Permanent	12	5.97	201	201	201	201	5	209	190
Colonial Invest.	6	....	..	..	..	..	..	4½	4
Hamilton Prov.	10	6.45	..	..	..	..	..	156	154
Huron & Erie	7	5.46	128	128	128	125	3	128	125
Landed Banking	9	6.33	..	..	..	..	..	142	142
Montreal Loan	12+1	6.76	..	..	..	..	..	48	45
National Trust	12	5.47	..	..	..	..	..	223	210
Ontario Loan	11	5.55	..	..	..	..	..	100	99
Real Estate Loan	7	8.04	..	..	..	..	..	88½	87
Toronto Gen. Trusts	12	5.71	..	..	..	..	..	212	208
Toronto Mortgage	10+1	5.94	91½	91½	91½	92	4	92	87¼
Union Trust	7	8.23	..	..	..	..	..	85⅛	85⅛

UNLISTED SECURITIES

Industrials, Utilities, Etc.—

	Bid	Asked
Brooks Steamer (1 pref, 2 com)	..	5
Can. Machinery, com.	3½	6
Can. Machinery, pref.	13	17
Canadian Oil, pref.	93	95
Can. Westinghouse, com.	145	151
Cockshutt Plow, pref.	34	37
Cosgrave Brewery	6	7
Dom. Comb. Mill (1 pref, 2 com)	30	38
Dom. Power, pref.	93½	95½
Durant (A)	3¾	..
Durant (B)	4½	..
Durant (C)	5⅝	..
English Electric, pref.	35⅛	..
Famous Players, com.	12	14
Gunns, Ltd., pref.	32	34
Imperial Tobacco	6½	7⅛
King Edward Hotel Deb. A.	71	..
King Edward Hotel Deb. B.	51	..
K. & S. Tire, pref.	7	10
Loew's Toronto, com.	26	28
Loew's London, com.	1⅛	..
Loew's Ottawa, pref.	13	16
Massey-Harris	49	50¼
Mount Royal Hotel, com.	4	5½
Mount Royal Hotel, pref.	29½	31
North Mexico Power, com.	32	34
Manitoba Power, com.	21	23
Rickenbacker Motors	3	4
Simpson, Robt., pref.	98	..
United Securities, com.	55	57
Western Grocers, pref.	28	32

MARCONI REPORT SHOWED A LOSS

Assets Written Down and Liquid Position Improved in the Process

From Our Own Correspondent.

MONTREAL. — The annual financial statement of the Canadian Marconi Co. for the year ending December 31, 1924, made its appearance at the annual meeting of the company held this week. The report showed the shareholders that the company made a loss of $42,510 on the operations during the year.

The chief feature consisted in the writing down of the company's assets and capitalization. The capital stock outstanding was reduced from $6,300,000 to $2,520,000. This was accomplished by changing the par value of the stock from $2.50 to $1. The figure at which the plant and patent rights were carried on the books has been reduced from $6,358,322 to $2,797,870. The writing down of the capitalization resulted in a surplus which was principally used to write off the value of plant and patent rights; the remainder was distributed as follows:

Deficit as at December 31, 1923, $31,660; loss during 1924, $42,510; inventories and other current assets written down, $199,516. The working capital position shows considerable improvement, excess of current assets over current liabilities being $332,956, as compared with $152,791 at the close of the preceding year.

The company was formerly known as The Marconi Wireless Telegraph Co. of Canada, Ltd., but under a bill which received Royal assent on June 12, 1925, the company's name was changed to Canadian Marconi Co., and its powers were extended to include wireless telephony. In his remarks to shareholders, Dr. Milton L. Hersey, president of the company, states that good progress has been made with the erection of the new beam stations at Drummondville and Yamachiche, which are now ready for installation of the electrical equipment.

Dr. Hersey, who acted as chairman of the general meeting of the company for [illegible] first time since his election as president, amplified his remarks in the printed report by stating that with wireless telephony and the Beam system, the corporation was on the threshold of a change for the better. He emphasized the accuracy of wireless telegraphy, and added that should the company get its share of the business available satisfactory progress should be made.

BRAZILIAN TRACTION EARNINGS

Brazilian Traction earnings continue off from the January high. Gross in May were off $51,971 as compared with $45,547 in April. Operation costs were again up. The figures:

May—	1925	1924
Gross earn. from oper.	$2,282,198	$2,334,169
Operating exp.	959,984	858,129
Net earn.	1,322,214	1,476,040
Gross from Jan. 1	$11,522,169	$11,143,001
Net from Jan. 1	$6,693,854	$6,959,055

Earnings for the past thirteen months compare as follows:—

1924	Gross	Net	Net Inc.
April	$2,239,842	$1,406,746	$166,527
May	2,334,169	1,476,040	143,665
June	2,322,906	1,495,263	140,391
July	1,730,572	1,005,240	x345,877
Aug.	2,217,189	1,351,749	19,095
Sept.	2,248,280	1,444,734	189,683
Oct.	2,485,495	1,568,072	263,299
Nov.	2,346,029	1,415,829	292,457
Dec.	2,443,315	1,408,530	209,137
1925—			
Jan.	2,494,194	1,493,493	148,423
Feb.	2,207,359	1,284,342	x40,130
Mar.	2,344,123	1,345,927	x50,800
April	2,194,295	1,247,878	x158,868
May	2,282,198	1,322,214	x153,826

x—Decrease.

BARCELONA TRACTION EARNINGS

Barcelona Traction's May earnings fell off slightly as compared with previous months of the year but are ahead of a year ago, both in gross and net. The figures:

	1925 Pesetas	1924 Pesetas
Gross earn. from oper.	6,802,421	6,251,088
Operating exp.	2,555,691	2,501,871
Net earnings	4,246,730	3,749.217
Agg. Gross earn. from Jan. 1	36,944,949	33,901,716
Agg. net e'rn. fr'm Jan. 1	25,004,980	21,577,505

	Gross	Net	Net increase over 1924
Jan.	7,922,049	5,620,143	803,037
Feb.	7,835,622	5,523,912	881,487
Mar.	7,328,101	4,281,348	731,407
April	7,056,756	4,601,440	514,031
May	6,802,421	4,246,730	497,513

C.N.R. May Showing is Better Than a Year Ago

May operations of the C. N. R. show a decrease in gross earnings of $4,105,032, or five per cent., as compared with May, 1924. Operating expenses decreased $1,760,295, or nine per cent. Net earnings were $399,940, as compared with a deficit of $255,323 in May, 1924.

May	1925	1924
Gross	$18,245,738	$19,350,770
Oper. expenses	17,845,798	19,606,093
Net	$399,940	†$255,323
Five months:		
Gross	$87,339,081	$95,184,491
Oper. expenses	83,164,359	91,628,678
Net	$4,174,722	$3,555,813

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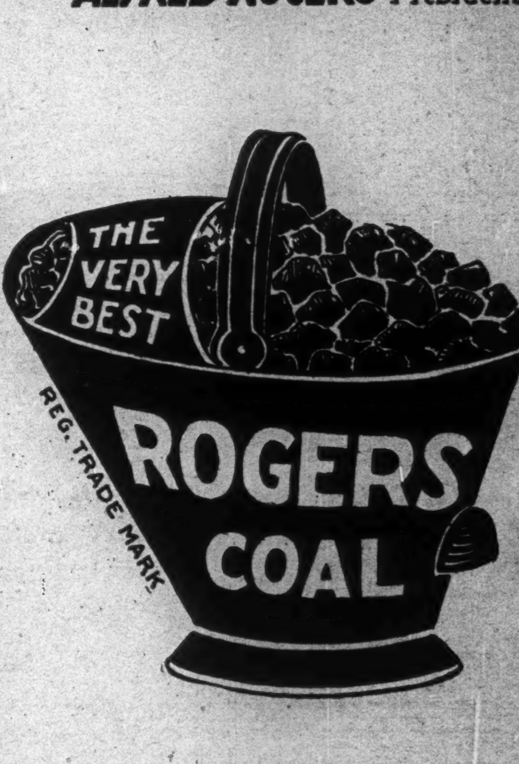

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Pulp and Paper

CUT PRICES MAY BRING MERGERS; A WORLD MARKET

Present Newsprint Prices Between $65 and $70 a Ton

From Our Own Correspondent.

MONTREAL.—What will the price of newsprint be during the last six months of the current year? For those who are in touch with the newsprint situation it is generally felt that the price will be around $65, possibly a little over this. As a matter of fact, it is generally known that many of the producers have been selling newsprint at a price below the generally recognized $70 a ton for the first six months of the year, so that H. Biermans, the president of Belgo-Canadian Paper Co., in announcing $65 a ton for 1926 has really done nothing but formulate what has been in the minds of most newsprint men for some time.

All the newsprint mills naturally make their own contracts, and for this reason, it is hard to ascertain exactly what current prices are, but as far as the investor is concerned, he can be pretty well assured that his company won't be getting $70 a ton for his output between now and December. The question which affects the investor is whether or not the foreign companies will be able to stand the gaff of price-cutting. Indeed, it has been said that price-cutting in Canada will force some American mills out of business. This is no doubt true, and it is natural that the lower prices go, the fewer operators there will be, but it is to be remembered that although lower prices may make things harder for American mills than they are for Canadian, yet it will take a considerable time before any one mill actually curtails its output. It is quite probable that some American operators may not make the profits out of their mills which they are entitled to, but at the same time they will continue to operate them until such times as they actually make a loss.

Will Delay Developments

While it is unreasonable to suppose that lower prices will curtail output to any appreciable extent for sometime, yet the cut in price will undoubtedly further delay the building of those mills which are only in the blueprint stage. The output of newsprint has increased considerably since the beginning of the year, and there will be more increases between now and January, so that the announcement of $65 a ton for January might almost have been taken for granted when it is considered that many mills for the first six months of the year have been selling anywhere from $65 to $70 a ton.

Those who know paper and its manufacturing costs, feel that the companies can make money at $65 a ton. Earnings will be, of course, reduced, but still the companies can make a living. This will apply more particularly to those mills which, during the last few years, have worked themselves into a good financial position, and which have a fairly low production cost. But one man in the business told The Financial Post that he looked to see some of the dividends reduced, not so much through a necessity, but merely as a precautionary measure. There are some companies which have but a small production, coupled with correspondingly high costs, which may have a hard time standing the gaff as far as their newsprint production is concerned.

A World Market

It has often been pointed out that Canada's best market for newsprint is the United States—this is true, but really the market for newsprint is a world market, As an example, take the new mill which British interests are erecting at Cornerbrook, Newfoundland. This mill will have a production of 400 tons a day and it is expected to have it operating by August. This new producer will have to find markets either in Europe or in the United States. If it sells in Europe, it will cut out some of the Swedish manufacturers, and if it markets its product in the United States, it will also cut out some of the Swedish pulp which is turned into newsprint there. It is but natural to expect that this company will, in all probability, market its paper in New York rather than on the continent. After all is said and done, therefore, there is a definite demand for newsprint of only a certain amount, and its market is a world one, although Canada sends most of its production to the States.

Will Bring Mergers

Lowering of prices makes more imminent, naturally, the confirmation of the mergers which are in the air. There is the Spanish River-Abitibi merger, and then, too, there is the merger of the companies lying in the St. Maurice Valley, which was mooted some time ago. Many people feel that the International Paper is possibly destined to play a leading part in a merger which might come off, say, along the St. Maurice Valley. The latter company has definitely indicated that they are eventually going to turn all their newsprint mills in the States into the manufacture of high grade paper and that newsprints for the future will be made in Canada. This being the case, it looks as if the International Paper Co., which is the largest producer of paper in the world, might be in a position to work out some big plans with a number of the producers in this province.

To come back to the price of newsprint, investors can be fairly sure that although $65 represents a five dollar cut per ton, it will be found that in reality the cut will not equal anything like $5, due to the fact that a number of companies have been selling it under $70 for some time now.

New Brunswick Power to Operate Paper Mills

From Our Own Correspondent.

MONTREAL.—The Province of New Brunswick will make initial development at the power site, which it has recently acquired at Grand Falls, of from 50,000 to 60,000 h. p.; later, another 25,000 will be added and the ultimate development of the site is placed at 150,000 h.p.

This week Hon. P. J. Veniot, the premier of the province, announced that already the government had received demands aggregating some 71,000 h. p. from paper mills in the province.

INTERNATIONAL NOT READY TO SET PRICE

No Indications as Yet of a Decision to Follow the Lead of Belgo-Canadian

NEW YORK.—Although one of the Canadian newsprint manufacturers recently announced a cut of $5 a ton, effective after January 1, 1926, bringing the price to $65 from $70, International Paper has made no plans that far ahead. Spot newsprint market is fairly firm, and there has been no indication that other companies will follow the lead of Belgo-Canadian, which will make the $5 reduction.

International Paper's newsprint business is just beginning to feel the usual seasonal slump. Up until a few weeks ago, mills were running around 90 per cent. of capacity.

Work on the new machines at the Three Rivers, Quebec, plant, which will be the largest in the world, is being pushed ahead rapidly, and should give it a capacity of 500 tons of newsprint daily by the end of the year. The seventh and eighth machines are being arranged for, and when ready for operation a total of 700 tons of newsprint will be turned out at this plant daily.

Grand Falls Co., of which International Paper Co. is two-thirds owner, has made a settlement with the Province of New Brunswick of $1,200,000 cash for its rights for development of water power at Grand Falls on the St. John River. This will be paid upon completion of the project which the province is commencing, embracing the ultimate development of 50,000 horse power on a public ownership basis, at an outlay of $9,000,000.

International Paper will thus receive $800,000 for its share in the valuable water power. It has made a contract with the New Brunswick government to take 14,000 horsepower, which it may eventually use in a new mill at this point. Plans for the utilization of the power, however, are as yet unformulated. An additional contract for 2,000 horsepower has been entered into, to be used in the state of Maine at the Van Buren mill.

TALK SHARE RIGHTS AND STOCK SPLIT

Shareholders of Consolidated Smelters Told to Expect Bonus Later in Year

That a stock distribution of handsome proportions will be made in good time, is the reason ascribed by Watt and Watt, brokers, for the heavy accumulation of shares of Consolidated Smelters which has been going on for a couple of years now and carried the stock from around 30 to 86. This brokerage house says that many thousands of shares have been purchased by large investors both in Canada and abroad and have been placed in strong boxes. Earnings of the company in 1924 were equal to 54 per cent. on the common shares and it is stated that operations this year are on a scale that will net the company more.

It was intimated when the last dividend was declared that a bonus would be distributed later in the year and after pointing this out the brokers state that one of the requirements of the company is working capital. When the distribution of shares has been made these will be offered to shareholders at par, $25. This would give the company $2,175,000 and would "prove a handsome preliminary bonus to shareholders."

Such a distribution would make the amount of issued stock outstanding 600,000 shares. It is considered likely that these would be split on the basis of four shares of new no-par-value stock for each share held, making the total issued capital 2,400,000 shares. They say, let it be granted for the sake of argument that dividends of $3 per year be paid. In this case the no-par-value stock would be worth, say, $35 per share, from which it can be seen that purchases at present levels might easily turn into handsome profits in a reasonable time.

Soo Line Improves Earnings for Month

From Our Own Correspondent.

MONTREAL.—The net earnings for the month of May of the Minneapolis, St. Paul and Sault Ste. Marie railway show a considerable improvement over May, 1924. This road is a subsidiary of the Canadian Pacific Railway and last year the net earnings for the month showed a deficit of $367,119, as compared with a deficit this year of $182,421.

A comparison of the figures for the two months is as follows:

	May, 1925	May, 1924
Total Revenues	$1,951.733	$1,979,533
Total Expenses	1,661,406	1,827,237
Net Railway Revenues..	$ 290,326	$ 152,295
Tax. & Uncollected Ry. Revenue	153,456	141,738
Net after Taxes ....Cr.	136,869	Cr. 10,557
Hire of Equip........Cr.	48,964	Cr. 67,623
Rent. of Terminals.Dr.	8,357	Dr. 10,766
Net after Rents.....Cr.	177,476	Cr. 67,414
Other Inc.—Net ....Cr.	73,988	Dr. 18,074
	251,464	49,340
Int. on Fund'd Debt..Dr.	433,885	Dr. 416.539
Net ....Dr.	182,421	Dr. 367,199

AMERICAN COMPANY TAKES LONDON PLANT

The silk knitting plant of Hall Acme, Canada, Limited, in London, which has been closed since the company became insolvent in November last, has been taken over by an American concern, Hudson Knitting Mills, Inc., of West Hoboken, N.J., which will manufacture silk and artificial silk ties, scarfs, underwear and other products. This company has a large business in New Jersey and is now entering the Canadian field.

The plant has been leased for a short term, with an option to buy. F. M. Moffat, of Moffat, Hudson & Co., trustee of the Hall Acme Estate, negotiated the deal on behalf of the estate.

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Newsprint Paper

MILLS AT
SHAWINIGAN FALLS, QUE.

Public Utilities

MEXICAN POWER COMPANY SHOWS BETTER POSITION

North. Mexico Power & Development Co. Will Probably Meet Arrears

From Our Own Correspondent.

MONTREAL.—The power stocks have more and more of late been attracting the investors' attention, but there is one stock, the Northern Mexico Power and Development Co., which has received but little attention and which, at the present time, presents undoubted attractions from a speculative standpoint.

The company has outstanding $13,000,000 of capital stock, of which $3,000,000 is 7 per cent. preferred. The only bonds outstanding according to the 1923 annual statement which is the last available one, amounted to only $105,000 so that it can be seen that the shareholders have a big stake in actual money put into the plant. Incidentally, all this capital represents cash. In order to tell the story properly, it is necessary to go back some years to the time that Villa upset the Mexican Government and also many foreign investments in that country.

Due to the troublous times in Mexico in 1912-13, the Northern Mexico Power and Development Co. was unable to earn its fixed charges which forced the bondholders to take over the property. In the reorganization which followed, these bond holders took shares in the new company up to the par value of the bonds which they held in the old concern. The first mortgage bond holders, however, took one share and a half of preferred for each bond which they held. From this it can be seen that the stock is the reverse of what might be called watered.

Making up Arrears

As to the earnings. For some years the company did not do very well and in 1920 dividends on the preferred were stopped. By 1924 these dividends were 28 per cent. in arrears. On July 2 last year, the company paid a 7 per cent. dividend on the preferred—quarterly disbursements have been made since at the same rate, so that if the company makes a further disbursement of 7 per cent. during the current month, the preferred dividend will only be 3½ per cent. in arrears. The payment of two 7 per cent. dividends on the preferred by the end of the current year would bring the stock dividend up to date. This would appear to be the probable course of the directors.

Here is a company which has been able during the past year to pay arrears of 28 per cent. on its preferred stock—this alone is significant. The actual earnings of the company for the past four years have shown a steady growth. The figures follow:

	1921	1922
Gross	374,486	526,594
Net	270,180	371,488
		11 months
	1923	1924
Gross	592,594	654,834
Net	425,986	486,316

The figures of the net earnings do not allow for bond interest nor depreciation and the figures for 1924 do not include the month of December. It is expected that the annual statement which is to be published any day will show gross earnings of over $700,000 for last year. It is understood that gross earnings for the current year will be approximately $1,000,000.

The Price of the Stock

The common stock is at present changing hands on the curb at about 33, the preferred sells from 75 to 80. Should the gross earnings for the current year amount to the expected $1,000,000, this would probably be equivalent to about 5 per cent. on the common after allowance has been made for all charges including a liberal amount for depreciation.

The company's plant is located at Boquilla in Northern Mexico. Just a year ago, a line to Chihuahua was completed—a distance of some 90 miles. In this latter place are located many rich silver and lead mines which, until the completion of the line met their power requirements by producing steam by burning wood. There are no transportation facilities in the district which the company serves so that it is impossible for the users of power to produce it with coal. Because of this, it is learnt that the Northern Mexico Power and Development Co. have been able to charge high rates. Indeed it is said that some of their contracts net the company as much as $75 per horsepower.

The company produces 20,000 horsepower from its plant at Boquilla and before the opening of the new line to the mining fields just about one year ago, only 9,500 horsepower was sold. As soon as the line was opened 2,500 horsepower was disposed of, and at the beginning of the current year a further 2,000 horsepower was sold. At the present time, the company has about some 3,000 horsepower to dispose of. One of the mining companies in the district served is constructing a narrow gauge railway—this will take a considerable horsepower and all indications promise that before the year is out, the company will be looking for additional power to sell.

The company amongst others sells to the American Smelting and Refining and the L. Potosi Mining Co. at Chihuahua. From the statement of the earnings over the last four years, it will be seen that even without the addition of the new line July earnings were growing, but it is in the mining field in which the major portion of the growth of the power demand will occur.

The site on which the company operates could develop some 90,000 horsepower, furthermore it is the only power site in this neighborhood. This is evidenced by the fact that the American Smelting and Refining Co. would not purchase a large block of power if there were power sites capable of economical development in the district.

The future for the company looks bright, more specially when its demonstrated earning power is coupled with the increasing demand for power in the district served. Some say that the company will be abie to turn in gross earnings in 1926 of over $1,500,000. There is only one thing which keeps the common stock from being a sure bet and which turns it into a business man's investment. It is the political situation in Mexico. The funds of the widow and the orhpan should not be invested in Latin Republics as they have demonstrated their ability to hold rebellions as frequently as most countries hold elections—indeed some of the rebellions are practically nothing but elections, but at the same time, a rebellion of any sort interrupts the progress of business and ofttimes results in looting, so that the stock of the Northern Mexico Power and Development Co., should be regarded as a business man's speculation rather than an investment. However, this does not detract from its attractiveness for there is only this one factor which can hold back the continued progress of the company—and also of its stock.

The Present Situation

As to the situation in Mexico at the present time, all reports indicate that the country is not in any too stable a condition and that Bolshevik interests are at work which might eventually lead the government to extracting a too heavy toll from those who are engaged in developing its natural resources.

An article in The Financial Post recently, stated that since the withdrawal of the British representative, things have gone from bad to worse. Having no official voice, representatives of British interests receive but little consideration, and though the U. S. has been battling to secure protection for American property in that country, there is little attention paid to their representations.

The article goes on to say that the government has shown but little sympathy towards the Mexican Tramways' rights and has allowed jitney competition to run without restriction, despite the fact that the company has an exclusive franchise.

However, this is the darker side of the picture which is presented by the Northern Mexico Power and Development Co., which still continues to increase its earnings. These are the reasons why the stock is selling so low, when regard is taken of its increasing earnings. Most of the stock of the company is held in this country, although there are some, shareholders abroad. One of the largest insurance companies in the world is interested to the extent of 11,625 preferred and 7,280 common shares.

Woodyatt and Nesbitt Directors of Dominion

MONTREAL.—Last week, J. B. Woodyatt, vice-president and general manager of the Southern Canada Power Co., and A. J. Nesbitt, of Nesbitt, Thomson & Co., were elected directors in the Dominion Power & Transmission Co.

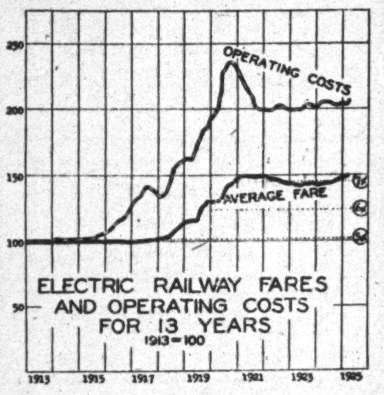
This move follows closely on the formation of the Power Corporation of Canada, by A. J. Nesbitt. The latter company has acquired a substantial interest in the Dominion Power & Transmission Co.

TRAM FARES RISE NOT IN KEEPING WITH COSTS JUMP

Public Service Ventures Have Trouble With 5c. Fare and Auto

A recent wave of enthusiasm which still continues has carried the market quotations for the securities of public utility corporations to levels that are higher than any they have heretofore reached, says Cleveland Trust. Both the stocks and the bonds of many groups of public utilities have advanced so far that they appear to have discounted almost any prosperity that is probable for the companies involved over the next few years.

One important exception in these forward movements of security prices is found in the case of the tractions, or companies operating urban and interurban electric railways. In the case



of most of these companies there has been little advance in security prices. This is applied to U.S. companies but is also applicable to Canadian ventures as well as the many such U. S. operations in which there is a large Canadian investment interest.

The reason for this is clearly indicated in the accompanying chart, which shows the changes in the fares and operating costs of electric railways in 100 leading cities during the past 13 years. The broken line shows the changing levels of operating costs and the solid line the average fares in these communities over this period of time, if those of 1913 are taken as being equal to 100.

The situation may be summarized by noting that operating costs are now just about twice as high as they were before the war, while the average fares have increased by a little less than 50 per cent. The inevitable result is that the companies are in the main unable to pay an adequate return on the money invested in them, and are far from having resources to provide for extensions in their plants and improvements in their service.

The two factors which are primarily responsible for this condition are the passenger automobile, which has brought in powerful competition, and loyalty to the five cent fare, which has made it most difficult to increase revenues. Most public utilities are now prosperous because their expenses have declined since the peak of prices in 1920 while the rate increases that they secured at that time are still in effect. The street railways have secured only meager rate increases and their operating expenses have declined but little.

APPROVAL SHOWN OF SENATE PROPOSAL

Senate Suggestion of Guaranteed Dividend Puts Stock Up 4 Points

Shares of C.P.R. during the week came in for one of their periodical rises, selling up 4½ points to 145 which level they have been at on three or four occasions during the last few months, only to gradually drop back to around 139 and 140. They have held around this latter level for a couple of weeks on the occasion of this last dip. Strength in the shares is being linked with the recommendation of the senate committee favoring the amalgamation of C.P.R. and C.N.R. and guaranteeing a dividend to C.P.R. shareholders.

Earnings of the railway for the first five months of the year show a decline of $1,717,240 over a year ago. Gross fell off $7,830,112, but the company was able to make a material hole in operating costs. May was a bad month providing nearly 50 per cent. of the year's decline in net. It will be noticed that on the month's operations the company cut working costs over $1,100,000. The figures:

	May, 1925	May, 1924
Gross Earn.	$12,467,612	$14,426,679
Working Exp.	11,558,698	12,700,209
Net Profits	$ 908,913	$ 1,726,469
From January 1st		
Gross Earn.	$61,691,172	$69,521,283
Net Prof.	6,213,195	7,930,435

Twin City Fare Decision Should be Forthcoming

Shares of Twin City Rapid Transit eased off somewhat during the past week, selling down to 65½ compared with a high of 69 last week. The announcement as to what fare the company will be able to charge in Minneapolis and St. Paul is expected daily. The hope was that it would have been ready to put into force on July 1. The cities have been pressing for a six cent fare claiming that the company would get a sufficient return from such a fare. The company on the other hand has been battling for a cent higher and there has been a feeling abroad that the seven cent fare would be awarded.

Public Utility Earnings

Western Natural Gas

	Last Yr.	Pres. Yr.	Ch'nge
January	$148,965	$163,953	+$14,988
February	104,266	171,679	+ 67,413
March	96,065	148,335	+ 52,270
April	93,811	91,602	— 2.209
Agg. earn. from 1st Oct. to 30th Ap'l.	$703,815	$972,805	+268,990

Southern Canada Power

May—	1925	1924
Gross earn.	$95,713	$83,841
Operat. exp.	38,100	39,455
Net earnings	$57,613	$44,386
8 mos. ending May—	1925	1924
Gross earn.	$768,483	$702,565
Oper. exp.	344,139	313,491
Net earn.	$424.344	$389,074

Monterey Railways

3 mos. to Dec. 31, 1924	Gross	Work Exp.	Surp.
Rail. Light & Pr.	$202,180	$213,625	x$11,445
Water. & Sew.	56,663	39,110	17,553
Total	$258.843	$252,736	$6,107
Agg. Earn. from 1st Jan. 1924, to 31st Dec., 1924	$988,933	$980,186	$8,746

xDeficit.

Winnipeg Electric

April—	1924	1925	Change
Gross Earn.	$441,380	$427,400	—$13,980
Expenses	310,795	284,603	— 26,192
Net Earn.	130,585	142,797	+ 12,212
Agg. Gross from 1st Jan. to end of April	1,886,717	1.866,515	— 20,202
Aggr. Net from 1st Jan. to Apr.	$571,876	$634,542	+$62,666

Trinidad Electric

March, 1925—	Gross	Net
Railroad	$13,688	$4,465
Lt. & Power	14,585	8,213
Ice & Refrig.	5,351	377
Miscellaneous		30
		$13,087
April, 1925—	Gross	Net
Railroad	$14,276	$3.979
Lt. & Power	15,096	8,421
Ice & Refrig.	5,972	1,605
Miscellaneous		260
		$14,267

THE ROYAL BANK OF CANADA

Statement to the Dominion Government (Condensed) May 30, 1925

Head Office MONTREAL

LIABILITIES	
Capital Paid up	$ 20,400,000.00
Reserve Fund	20,400,000.00
Undivided Profits	1,143,806.90
Dividend No. 151, payable 1st June, 1925	612,000.00
Notes in Circulation	28,766,816.74
Deposits	494,593,885.66
Due to other Banks	18,807,865.07
Bills Payable (Acceptances by London Branch)	6,846,868.46
Letters of Credit outstanding	25,040,691.51
	$616,611,734.34
ASSETS	
Cash on Hand and in Banks	$100,137,578.59
Deposit in the Central Gold Reserves	11,000,000.00
Government and Municipal Securities	87,782,269.42
Railway and other Bonds, Debentures and Stocks	19,318,803.53
Call Loans in Canada	21,059,754.07
Call Loans elsewhere than in Canada	50,804,826.40
	$290,103,232.01
Loans and Discounts	284,457,293.14
Liabilities of Customers under Letters of Credit as per contra	25,040,691.51
Bank Premises	13,561,752.76
Real Estate other than Bank Premises	1,927,266.16
Mortgages on Real Estate sold by the Bank	501,496.76
Deposit with Dominion Government for Security of Note Circulation	1,020,000.00
	$616,611,734.34

654 BRANCHES IN CANADA, NEWFOUNDLAND, WEST INDIES, CENTRAL and SOUTH AMERICA, also LONDON, NEW YORK and BARCELONA.

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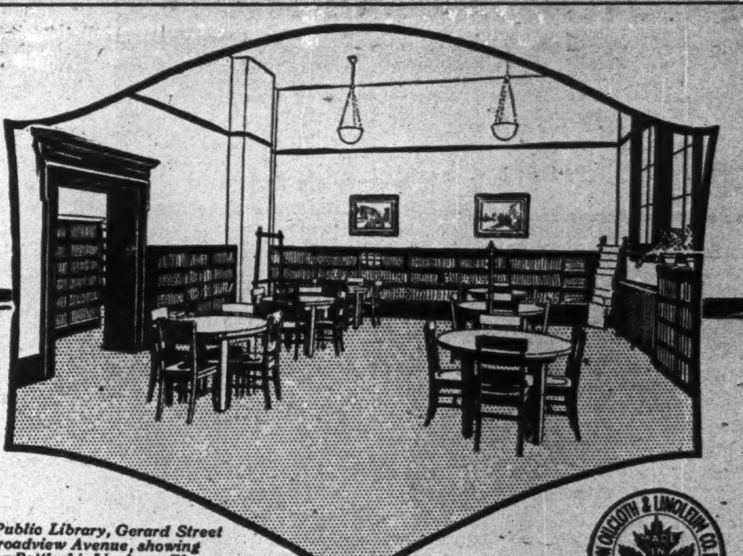

Toronto Public Library, Gerard Street and Broadview Avenue, showing Dominion Battleship Linoleum Floor

The Public Floor of To-day

Floors for public buildings must be considered from many viewpoints. Quiet, good looks, cleanliness and ability to stand up under heavy traffic are the outstanding qualities sought—and always obtained with Dominion Battleship Linoleum floors.

Keen executives who realize the importance of floors to the smooth functioning of their business, want Dominion Battleship. They want its sound-absorbing quietness, its economy.

Those responsible for the equipping and maintenance of schools, hospitals, libraries and office buildings are equally appreciative of Dominion Battleship's many fine qualities. So too, are the country's leading merchants. They understand the value of clean, inviting, comfortable floors in building up trade.

Architects specify Dominion Linoleum Floors as a matter of good practice. They know they are the very floors to give lasting satisfaction and service to their clients.

From every viewpoint it is becoming increasingly apparent that Dominion Battleship Linoleum is the public floor of to-day.

Dominion Battleship Linoleum

Dominion Battleship Linoleum provides a smooth, firm, seamless surface, waterproof and cushion-like to the tread. It is a permanent floor that needs no upkeep beyond the occasional use of a reliable floor wax. Simply brush the dirt away — an easy, inexpensive task. Dominion Battleship Linoleum cuts flooring costs by ending replacements and expensive refinishing. It is low in first cost, too.

Dominion Battleship Linoleum, AAA quality, is made in eight standard shades—brown, green, terra cotta, grey, buff, blue, black and white. AA and A qualities, in four standard shades only. Special colors for large contracts.

Installed by all large Departmental and House Furnishing Stores. Write us for free samples and literature.

Dominion Oilcloth & Linoleum Co. Limited
MONTREAL

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Always the same—fragrant and satisfying. Always good. It's a Tucketts Preferred

15 CENTS STRAIGHT

Tucketts Preferred Perfecto Cigar

After all there is nothing so satisfying as a good Cigar

P1

News of the Mines for the Investor

BARGAINS IN GOOD MINE SHARES ARE AVAILABLE TO-DAY

Post Making Survey of Brokers For Best Investments and Speculations

Brokers are telling their clients that now is the time to buy mining stocks. Because of a peculiar combination of circumstances, having little or nothing to do with the physical or financial position of the mines, the market is neglected and prices are low. This provides an excellent opportunity for those with the ready cash to secure some excellent stock at prices that are almost bound to make them money. Realizing the outlook, The Financial Post has written to some thirty odd brokers dealing in mining shares throughout Canada, asking their opinion as to the best speculations and investments in mining shares. The answers should be shortly forthcoming. In the meantime one broker, Homer Gibson, dealing in Ontario mining issues, has sent a circular to clients which sets forth an excellent group of five-dividend paying stocks. His selections so well represent the bargain situation that now exists in mining shares, that we are giving his figures below. They give a yield of 14 per cent. and are all seasoned mines.

The list follows:

Stock	Market Price	Divid.	Yield
100 Keeley Silver	180.00	24.00	13%
100 Mining Corp'n.	270.00	50.00	17½%
100 Nipissing	500.00	60.00	12%
100 Dome Mines	1,450.00	200.00	14%
100 Premier	225.00	32.00	14%
	$2,625.00	$366.00	14% Average

Not only is a continuance of present dividend rates reasonably assured, but these stocks should advance in price with a better market. Mr. Gibson suggests 25 per cent. within a year as not being unreasonable to expect.

NEW YORK INTERESTS IN SCHREIBER FIELD

Harkness Group Will Start Operations Sometime This Month

PORT ARTHUR. — Harry Harkness will start work this month on his Schreiber claims. The properties under option consist of 93 1-10 acres, just north of the railway track a short distance east of Schreiber, on which there are thirteen veins, ranging from 36 inches to 30 feet in width, some of which are exceptionally rich, one grab sample, weighing a pound, having yielded $2 in gold, or at the rate of $4,000 to the ton. The veins can be cheaply worked, as they outcrop on a side hill and can be developed for some distance by tunneling, thus avoiding the expense of sinking a shaft. Mr. Harkness hopes that before long a small mill, with a capacity of about 20 tons per day, will be installed, as soon as there is ore enough opened up to keep it running. A company is being organized, backed by New York banking interests, to operate the property.

SILVER PRICES FIRMER

Silver is ranging between 70 and 71, and at the latter level is within two points of the 1924 high. Buying from China is said to be responsible. They are having one of the usual revolts and to make it a success, silver coins are essential. The present available supply of silver is not large and in some quarters a further strengthening in prices is being looked for.

Mining Market Continues Quiet—Stocks Are Scarce

The mining market has been quite neglected for the past week. There has been some trading in special issues, but no general buying. Brokers say that stock continues scarce at present levels and believe that the market will continue to hold its present position through the summer. The time is at hand for the audit of brokers' books. There is still some talk about it, having to do mostly with the extension of such a policy to all brokerage houses. However, neither market seems to be alarmed at the outcome. The predicted rush to take up stocks has not materialized.

OLD ROSSLAND MINES AGAIN TO THE FORE

Good Showing of Silver-Lead Ore Which in Early Days Was Valueless

ROSSLAND, B.C.—The uncovering of a promising ledge of ore that carries good values in silver and lead in the Grand Forks Syndicate group on the North Forks has started quite a ripple of excitement, coming at a time when the Yankee Girl claim is breaking into fine looking ore and an important strike is reported from Orient.

The Grand Forks group has been dormant for a couple of decades. Considerable development work in tunneling was done years ago. In those days, when smelters regarded it as impossible to treat silver-lead ore except under certain conditions that species of ore was not attractive. Now, however, there is a universal demand for silver-lead ore, hence this mineral claim has recently been brought to life by a local syndicate.

For some time past a small crew have been busy cleaning out the old workings and new development work has only been under way but a short time. From the start the work has given promising indications and now the ledge shows a depth of 40 feet, all heavily mineralized with frequent stringers carrying high values of gold and silver. An analysis of the ore gives values running about $70 to the ton.

The property is located just east of the bridge, 10 miles north of Grand Forks, the tunnel being just below the highway and within a half mile from the Kettle Valley track, so that shipping will be no problem.

TONAPAH ENLARGES GOWGANDA HOLDING

Company's Property Commitments Are Estimated at Near a Million

Silver Star property in Gowganda has been taken over by Tonapah Mining Co., of Nevada. This company owns the Walsh and has under option the Morrison, Gowganda Canadian and Silver Star. The option price on the Morrison group is $250,000, plus 100,000 shares in a new company to be incorporated.

It is estimated that total payments for properties now under option in Gowganda will involve close to $1,000,000. The prospects are favorable for this amount being realized in profit from the Walsh where six drift faces are now stated to be in high-grade ore.

Plenty of Money in England For Canadian Mine Ventures

Richard Trelour, a London mining engineer, who has been in Canada for some time and recently went to England to interest capital in mining ventures, stated on his return that there is plenty of speculative funds in England available for Canadian mining in ventures that will give them a run for their money. Assurance that the property will be handled right and that the money will go into the ground and not in commissions, is essential. If a property is presented that has promise and will stand up under examination he believes that there will be no trouble in getting plenty of funds.

C. W. DOME OUTPUT $26,000 MONTHLY

Company Has Met With Good Success on the 1,050-ft. Level

Consolidated West Dome Lake is producing $26,000 monthly. Good results in development work have been met with on the 1,050 level. No. 3 vein which was opened on the 750 and 900 levels and which provides the bulk of the mill ore, has opened up bigger and richer on the 1,050. The shoot is now 450 feet long and 120 feet of this averaged $18 to $20. The average width of the whole shoot is six feet but in many places it runs eight to 10 feet. There is an off-shoot to the vein and this is now being drifted on. It looks very good.

Diamond drilling on the 500-ft. level cut an excellent looking vein which gave good values and this vein has been opened up and drifting is now proceeding. On surface there were two veins that have never been explored and a cross-cut is being run to tap these.

World's Copper Output May Set New Record

Based on the rate of world copper output for the first five months of 1925 the production for the half year will be 1,580,880,000 pounds, or at the annual rate of 3,161,760,000 pounds. Maintenance of this rate of operations during the balance of the year will result in establishing for 1925 the first three billion pound output in the history of the industry. It will surpass the previous high record of 2,850,000,000 pounds in the big war years of 1917 and 1918.

Only by comparison with preceding years can one get a convincing picture of the great expansion in the productive capacity of the industry in the past decade and be it remembered the present price of the metal is much below the average of the ten years before the war.

MINING STOCK QUOTATIONS

WEEK ENDING JUNE 29

Stock	Par Value	Div. Rate	Yield	High for wk.	Low for wk.	Close June 29	Close June 23	Sales for wk.	Range 1925 High	Range 1925 Low
Apex	1	..	..	..	..	..	..	....	4	2½
Algonquin	1	..	..	2¾	2	2¼	2¾	115000	3	1
Argonaut	1	..	..	27	23	24½	26½	38500	48	22½
Atlas	1	..	..	4	3¼	3¼	3	9500	5	3
Baldwin	1	..	..	2⅜	2¼	2⅜	2¼	79500	7	2
Barry-Hollinger	1	..	..	47	45½	45½	46	12930	50	40
Beaver	1	..	..	29½	29	29	29¼	9550	37	25½
Bidgood	1	..	..	7¼	6¾	6¾	6⅜	15000	16¼	5½
Boston Creek	1	..	..	..	..	..	..	....	7	4½
Buckingham	1	..	..	3¼	2½	2½	2½	7500	5⅝	2½
Can. Lorrain	1	..	..	26½	26½	26½	25½	1000	50	23
Capitol	1	..	..	31	28½	30	31	6000	37½	26½
Castle Tre.	1	..	..	85	84	85	84	12800	85	71
Clifton	1	..	..	7½	7	7	7¼	17600	25¾	6
Coniagas	5	5	13.2	1.80	1.80	1.80	1.80	300	2.30	1.45
Coniar'm	.	..	..	1.60	1.60	1.60	1.00	171	2.45	1.00
Col. Kirkland	1	..	..	3	2½	2¾	3	21500	10½	2½
Cons. Smelters	25	6	1.8	82½	80¾	82	82	1893	85¾	48
Cons. W. Dome	1	..	..	13½	13	13	13-14	43800	22	11
Crown Reserve	1	..	..	30	28¼	29	28	6800	54½	21½
Davidson C.	1	..	..	..	..	..	..	....	5	2
Dome Mines	.	..	..	15.00	14.25	14.85	14.40	2147	16.50	12.90
Everett	1	..	..	5	4⅞	5	5	9500	10	4¼
Goldale	1	..	..	18	17	17½	17	17500	22½	14¾
Gold Reef	1	..	..	1½	1½	1½	1½	2500	2	1
Hattie	1	..	..	1⅝	1½	1⅝	1⅝	10000	2¾	½
Hattie pref.	1	..	..	11	6	7	8⅛	58600	67	4⅜
Hollinger	5	20.80	7.0	14.85	14.65	14.70	14.70	1065	15.65	13.35
Hunton	1	..	..	5	4⅞	5	5½	6000	8½	4¾
India	1	..	..	6¼	5⅞	5⅞	6	5500	17	5
Inspiration	1	..	..	..	..	..	..	....	10	7
Int.Nickel,com	25	..	..	..	..	..	..	....	31	24¾
Keeley	1	24	13.00	1.79	1.76	1.76	1.76	3400	2.32	1.75
Keora	1	..	..	11⅛	10	10¼	11¼	46500	19½	9
Kirk. Lake	1	..	..	39½	38¾	39½	38¾	12500	50	35
Lakeside	1	..	..	5	4½	4½	5	7500	15¾	5
Lake Shore	1	20+5	4.3	5.85	5.70	5.80	5.80	2140	6.10	4.51
La Rose	1	..	..	49½	48½	47½	50½	9900	55	7½
Lorrain	1	..	..	15	14½	15	15	20650	24	12¾
Lorrain T. L.	1	20	20.0	1.07	1.00	1.00	1.06	3500	1.34	90
McKinley	1	..	..	27½	26½	27¼	27½	22500	44½	15¾
McIntyre	5	20	5.0	17.75	17.55	17.60	2.69	1407	18.25	16.00
Mining Cor.	5	10	18.6	2.71	2.65	2.71	2.69	3460	3.16	2.35
Moneta	1	..	..	14	14	14	13½	1000	18¼	13
Newray	1	..	..	19½	19¼	19½	19	7650	28½	17
Nipissing	5	12+6	19.0	5.00	4.65	4.65	4	1580	6.80	4.65
Night Hawk	1	..	..	26	25¾	26	26	1700	49½	23
Ophir	1	..	..	4	4	4	4	9500	7⅞	3
Peterson Lake	1	..	..	7	6½	6¾	7¼	7300	12	6⅝
Porc. Crown	1	..	..	4	3	3	2.30	28500	8	3½
Premier Gold	1	32	14.3	2.20	2.20	2.20	2.23	50	2.58	2.15
Preston	1	..	..	10¾	8¾	10¾	8¼	138600	12	6¾
Teck Hughes	1	..	..	1.40	1.36	1.40	1.40	14400	1.49	1.23
Thomp. Krist.	1	..	..	..	..	..	..	....	3	1
Timiskaming	1	..	..	20	20	20	18½	3050	30	15
Tough Oakes	5	..	..	32½	31	31½	32	9950	45	20
Trethewey	1	..	..	..	..	..	..	....	22	16¼
Victory Silver	1	..	..	15½	8½	10	16	126800	31	8½
Vipond Cons.	1	..	..	1.09	1.03	1.04	1.10	11050	1.42	1.01
Wakenda	1	..	..	..	..	..	..	....	3½	1½
Wasapika	1	..	..	1¼	1¼	1¼	2¼	500	3⅜	1
West Tree	1	..	..	2¼	2⅛	2¼	2¼	3500	5	2
Wettlaufer	1	..	..	6	5⅜	6	5¼	5500	16	3¾
Wright-Har.	1	20	4.3	4.50	4.43	4.50	4.45	325	4.95	4.15
Oil Companies										
B.A. Oil	25	2+2	6.41	39	38½	39	39	480	41¼	36½
Imperial Oil	25	25c	7.6	33¼	32⅝	33	32¾	1136	34¾	27½
Inter. Pet.	5	25c	.96	26⅜	26¼	26⅜	26	57	28¾	22
Cont. Oil	.	25c	..	26¼	26¼	26¼	26	20	29	22½
North Star, pref	5	7	8.7	4.00	4.00	4.00	4.00	600	4.25	3.90

Should Investors Buy When Stocks Are at Summer Levels?

Read this week's "Mining News" Sent on request.

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The record of growth enjoyed by this company is one in which we take considerable pride.

Starting with a paid-up capital of $1,800 in 1922 these figures have grown amazingly and now stand at approximately $220,000. Assets have shown a corresponding expansion, having increased to $325,938 during the same period.

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Oswald Norman, who for 11 years has been associated with the Imperial Bank of Canada, has severed his connection with that institution to join the staff of the Monarch Life Assurance Co.

Mr. Norman has made a strong position for himself in the financial circles of the city.—Vancouver Sun.

Current Events in Banking World

BANK DIRECTORS ENTITLED TO RELY ON THE OFFICIALS

That is Conclusion From Decision Freeing Home Directors

That bank directors are entitled to rely upon the honesty of the bank officials in the opinion of the First Divisional Court, which quashed the convictions of the five directors of the Home Bank, R. P. Gough, S Casey Wood, J. F. M. Stewart, C. A. Barnard and C. F. Smith, is the conclusion to be drawn from the judgments written by Chief Justice Sir William Mulock, Mr. Justice Hodgins and Mr. Justice Smith. Various legal grounds are cited in the individual cases, but chief interest attaches perhaps to the observations of the Chief Justice in the case of R. P. Gough, the defunct bank's vice-president. He expressed the opinion that the accused joined the board in the interest of the bank, and that throughout his conduct he was governed solely by consideration of the bank's best interest. He did not make any improper use of any of its funds for the benefit of himself or of any other person, or any corporation in which he was interested. There was nothing to justify any charge of dishonorable or improper conduct, and he had no reason to doubt the truthfulness of the president and manager, and, therefore, though misled by them, he was not guilty of negligence.

Sir William's judgment outlines the charges regarding false returns and quotes the act in regard to such returns, continuing:

"The accused signed the monthly return in question, and it was in due course sent to the minister. In order to decide whether this return was false or deceptive, it is necessary to determine what the Bank Act requires it to show.

"Section 54 of the Bank Act specifies the requirements of the annual return, and Section 112 as qualified by Section 3 (c) those of the monthly return. An examination of these sections indicates fundamental differences between requirements of two sections. The annual statement must show balance of profits as from profit and loss account referred to in Subsection 4 of Section 54, and must be accompanied by a profit and loss account for the financial year. The monthly statement requires no reference to profits or losses.

"Section 112 does not, in my opinion, require the monthly statement to show the actual condition, or the actual financial position, of the bank, but merely what to the best of the knowledge and belief of the declarant is the financial position within the meaning of Section 112, namely, the liabilities and the face value of the assets including the face value of the indebtedness to the bank, and this information is correctly stated in the return.

"He appears to have enjoyed with his own bank whatever banking facilities he desired. On a few odd occasions he borrowed some comparatively small sums from the bank, but they were all duly repaid and the transactions were in the interest of the bank. There is nothing in the evidence to justify any charge against him of dishonorable or improper conduct."

"In False Security"

In the judgment in the appeal of S. Casey Wood, Mr. Justice Smith says:

"It is not easy to determine the exact principles that the learned County Judge has invoked in aiming at his conclusion as to the guilty negligence of the accused. He gives it as his opinion that it was the duty of the accused to inform himself by some detailed enquiry going behind the balance sheets and statements.

"The evidence shows very clearly that at the very beginning of the directorship of the accused a detailed enquiry did take place, the result of which quite reasonably impressed him with the conviction that the affairs of the bank were in a satisfactory condition, and no doubt lulled him into a false sense of security."

"The falsity of the review, the omitting of unpleasant information, and the ingenious reference to the large accounts are a circumstance showing the deception practised on the accused by the general manager, whom he had no reason to distrust."

"Ordinary Precautions"

In the Stewart judgment Mr. Justice Hodgins observes:

"The learned Judge (Coatsworth), remarks that: 'None of the ordinary precautions were taken by the board to see that the bank was going on satisfactorily.'

"This has reference to the duty which the learned Judge assumes to be laid upon the board to direct or manage the bank, to the neglect of which he attributes, the actions of the officers of the bank, particularly the late general manager and others, whose duty has been negligently performed, while their methods and practices were concealed from the board. The Bank Act authorizes the appointment of officers to manage and dispose of the affairs and concerns of the bank, and, when that takes place, direct management by the board is not required. If it were otherwise it would result in an impossible situation.

"The idea that a dozen directors can each be and act as general managers and conduct the affairs of the bank, is absurd. It is not even argued. But if they are required to make separate inquisitions—on the theory that they cannot trust each other, any more than they can depend on the officers of the bank—they would completely disorganize its business. No business organization can be carried on on the principle of distrust, as has been well said."

"Important Omissions"

In the Barnard appeal Justice Hodgins says:

"His Honor (Judge Coatsworth) speaking of the report referred to as the directors' yearly statement which is required by Section 54 of the Bank Act of 1913 to be made by them said:

"'No evidence was offered in support of the said statement. The evidence of the Crown was quite clear that it was false and deceptive. I, therefore, find the statement referred to in the charge sheet to be false and deceptive within the meaning of Section 153 of the Bank Act.'

"It is regretted that the learned Judge did not specify what statements in this detailed and in its preparation, complicated, return, were false and deceptive. The omission has resulted in this court having to listen in all five cases before it to the intricate character and particulars of the history of numerous large and lengthy transactions. Much of the time occupied thereby would have been saved and much expense avoided had the Crown singled out three or four of these matters on which to found the charges made, and secured a definite finding that they were falsely stated in the return and in what the falsity consisted.

"Deception Practiced"

In the judgment in the case of C. W. Smith, Mr. Justice Smith says:

"Assuming that proof of the presence of the accused at some stage of the meeting where copies of the statement were on the chairs, and where it was adopted without proof of his presence at the actual time when it was adopted, and without actual proof of his attitude toward it, was sufficient proof of his concurrence in it, the question arises whether in all circumstances he negligently concurred. Acquittal on the first two counts is a finding by the learned Judge that the accused had no actual knowledge of the false or deceptive statement: but he thinks that knowledge must be attributed to each director to the extent necessary to live up to the provision of the act, and that he cannot be heard to say: 'I did not know or I was absent.'

"If this were so, no director could escape under any circumstance if any untruth should creep into an annual statement. The Bank Act requires a statement true in all respects, and the rule thus laid down attributes to every director knowledge of what is correct, and consequently knowledge of what is false, whether he, in fact, has it or not.

The five directors named, along with F. J. B. Russill and M. J. Haney, are included in an indictment for conspiracy under four counts, triable by a judge and jury in the High Court, on which a true bill was returned by the Grand Jury on Oct. 22, 1924. M. J. Haney still has to face trial on charges under the Bank Act similar to those on which the five directors have been acquitted, if the crown decides to proceed.

Watch for More Small Cheques

The act to amend the Special War Revenue Act, 1915, which received the Royal assent June 12, provides that on and after July 1 cheques and similar instruments for the transfer of money of a value not exceeding five dollars will be exempt from stamp tax.

Bank managers and others handling public deposits will be particularly affected by the change. With the banks the effect on the number of cheques issued will be closely watched in relation to profitable and unprofitable savings accounts—the line between which is usually left to the judgment of the branch manager.

As I have previously pointed out, it is not likely that there will be any large number of people who will issue two or more small cheques for the one total in order to evade the tax, but there will probably be a tendency on the part of customers to pay more small accounts, like telephone and light bills, by cheque than has been the case.—J. W. T.

Staff Gossip

S. A. D. Muir, for thirty years a banker in Burford, originally having a private bank and later becoming manager of the Bank of Toronto branch there, is retiring from the post and will be succeeded by Mr. Brubaker, of Kitchener, Mr. Muir remaining for several weeks before retiring to hold the post of treasurer of Burford township. — Galt Reporter.

* * *

After over thirty years of active banking service in the village of Burford, Mr. A. D. Muir is retiring from the position of manager of the branch of the Bank of Toronto. Widely known throughout the vicinity and county, Mr. Muir will be greatly missed, and friends will regret to learn of his retirement. Mr. Brubaker, Kitchener, we understand, will assume the managership of the Burford branch, and will begin his duties at once.—Brantford Expositor.

* * *

Mr. Roach has been transferred to Three Hills as manager of the bank there and Mr. Bowman has taken his place here. Mr. L. P. Roach's successor as accountant at the Bank of Montreal, is Mr. H. C. Bowman. The staff of the bank said their formal good-bye to Mr. and Mrs. Roach in an evening gathering at the home of Mr. and Mrs. H. B. George, when a silver water jug was presented to Mr. and Mrs. Roach as an indication of the goodwill of their colleagues of the bank.—Red Deer News.

Exchange

The interest of the exchange market centres still in the heavy selling of French, Belgian and Italian bills which has driven the French franc down to 4 44 cents—just a cent above the record low of all time which was reached in March of last year. The lira receded to 3.32¾ which is the lowest point reached for several years.

Sterling continues strong at $4.85¾, and the Canadian dollar remains about 1/64 above United States funds.

NEW YORK FUNDS

	High	Low	Last Year High	Last Year Low
June 25	x1-64	x1-64	1 9-32	1 5-16
June 26	x1-64	x1-32	1 9-32	1 3-16
June 27	x1-64	x1-32	1 3-16	1 3-32
June 29	x1-32	x1-32	1 3-32	1
July 1	x1-64	-	1	15-32

xDiscount.

STERLING, FRANCS AND LIRE

	Sterling Demand	Francs Demand	Lire Demand
June 25	4.86	4.57½	3.70¼
June 26	4.85 15-16	4.49½	3.59½
June 27	4.85⅞	4.58¼	3.62
June 29	4.85⅞	4.52	3.55
June 30	4.85¾	4.45¼	3.40¾

SLIGHT DECLINE IN BANK DEBITS

Bank debits to individual accounts in the clearing house centres of Canada, as reported to the Dominion Bureau of Statistics by the Canadian Bankers' Association, were 2.3 per cent. greater in May, 1925, than in the preceding month. This gain, however, would be more than offset if allowance were made for seasonal variation. As compared with the record of the corresponding month of last year, the debits were nearly maintained in May, 1925, the decline being less than one-half of one per cent.

DEBITS TO INDIVIDUAL ACCOUNTS

	May, 1925	April, 1925
Maritime Provinces—		
Halifax	$23,593,616	$25,717,196
Moncton	5,914,015	5,761,165
St. John	17,605,926	16,542,894
Total	47,113,557	48,021,255
Quebec—		
Montreal	611,745,689	645.768,194
Quebec	48,888,866	45,332,108
Sherbrooke	8,125,153	8,397,300
Total	668,759,708	699,497,602
Ontario—		
Brantford	7,250,840	6,962,647
Chatham	5,140,337	6.346,407
Fort William	6,888,495	6,950,510
Hamilton	45,880,527	42,321,884
Kingston	4,851,885	4,575,261
Kitchener	8,014,923	7,296,475
London	25,490,700	22.703,378
Ottawa	204,429,150	162,361,007
Peterborough	5,823,080	6,733,244
Toronto	615,680,782	591,399,655
Windsor	30,712,543	26,830,128
Total	960,162,762	884.480,596
Prairie Provinces—		
Brandon	3,694,745	3,965,131
Calgary	36,997,721	38,727,067
Edmonton	32,621,758	31,234,181
Lethbridge	3,341,248	3,505,171
Medicine Hat	3,188,835	3.731,103
Moose Jaw	7,134,318	7,681,953
Prince Albert	1,846,243	1,920,822
Regina	24,062,426	21,483,678
Saskatoon	8,718,162	8,707,083
Winnipeg	337,608,505	327.354,718
Weyburn Bank	2,345,008	2,509,944
Total	461,553,969	450,820,801
British Columbia—		
New Westminster	5,134,175	4,701,109
Vancouver	114,016,926	120,138,078
Victoria	25,076,582	21.475,597
Total	144,227,683	146,314,779
Grand Total	2,281,817,679	2,229,135,033

Weekly Bank Clearings

EASTERN CITIES

	June 25 1924	June 26 1925
Halifax	$2,539,272	$2,351,110
St. John	2,233,899	2.290,749
Moncton	794,892	774,516
Sherbrooke	1,598,407	659,536
Quebec	4,700,832	4,240,040
Montreal	90,971,844	76,611,772
Ottawa	6,660,522	6,539,990
Kingston	576,565	718.556
Peterboro'	660,227	787,108
Toronto	77,907,680	87,546,087
Hamilton	4,715,352	5,240,483
Brantford	703,304	978,586
London	2,632,403	3,053,388
Kitchener	776,735	939,532
Windsor	2,866.035	3,595,720
	$200,331,869	$196,327,178

WESTERN CITIES

	June 25 1924	June 26 1925
Fort William	709,597	668,496
Winnipeg	52,712,304	38,395,550
Brandon	450,708	492,456
Regina	2,771,035	2,949,820
Moose Jaw	978,809	1,043,972
Saskatoon	1.381,565	1,389,978
Prince Albert	258,556	289,930
Lethbridge	409,706	475,178
Calgary	6,832,160	6,543,284
Edmonton	4,028,131	3,592,706
Medicine Hat	284,576	247,600
N. Westminster	631,128	616,836
Vancouver	16,561,363	14,793,412
Victoria	1.759,142	1,846,166
	$89,657,780	$73,349,393

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What should be the value of the shares of the new company which would result from the asbestos merger? An estimate is given in our "New Asbestos Bulletin," which also discusses probable capitalization, asset values and earning power of the new company.

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TELEPHONE MAIN 5618

City of Guelph Debentures
$235,236.00

Tenders will be received up to 5 P.M. on Monday, July 6th, 1925, for the following Sinking Fund Debentures with interest coupons payable June 30th and December 31st. Denominations $1,000.00 and odd:

$62,314—5½%, 10 yrs., for Pavements. Maturing Dec. 31, 1934.
5,340—5½%, 20 yrs., for Sidewalks. Maturing Dec. 31, 1944.
45,000—5%, 20 yrs., for Central Heating Plant. Maturing June 30, 1945.
6,382—5%, 20 yrs., for Domestic Trunk Sewer. Maturing June 30, 1945.
41,400—5%, 20 yrs., for Domestic Trunk Sewer. Maturing June 30, 1945.

Also for

$74,800—5½%, 1-15 yrs., for Provincial Highways. Interest coupons payable annually on June 30th. Denomination $1,000.00 and odd:

Maturing	$3,337.99	On June 30th, 1926
"	3,521.28	On June 30th, 1927
"	3,715.27	On June 30th, 1928
"	3,919.61	On June 30th, 1929
"	4,135.19	On June 30th, 1930
"	4,362.63	On June 30th, 1931
"	4,602.57	On June 30th, 1932
"	4,855.71	On June 30th, 1933
"	5,122.78	On June 30th, 1934
"	5,404.53	On June 30th, 1935
"	5,701.78	On June 30th, 1936
"	6,015.38	On June 30th, 1937
"	6,346.22	On June 30th, 1938
"	6,695.26	On June 30th, 1939
"	7,063.50	On June 30th, 1940
	$74,800.00	

H. J. B. LEADLAY,
City Clerk

TENDERS FOR PULPWOOD AND TIMBER LIMITS

TENDERS WILL BE RECEIVED by the undersigned up to and including the 10th day of September, 1925, for the right to cut pulpwood and such other classes of timber, as the stipulated conditions may require on certain areas situated in the following regions:—

(1) The East and West sides of Lake Nipigon, Thunder Bay District.
(2) The watershed of Kapuskasing River, District of Cochrane.
(3) The watershed of Mattagami River, District of Cochrane.
(4) The watershed of Ground Hog River, District of Cochrane.

FOR FULL PARTICULARS, as to Terms and Conditions of Tender, and Sale, apply to undersigned.

JAMES LYONS,
Minister of Lands and Forests,
Toronto, Ont.

N.B.—No unauthorized publication of this Notice will be paid for.
Toronto, June 9th. 1925.

Tenders for County of Grey Debentures

Sealed tenders addressed to the undersigned (Marked, Tenders for Debentures) will be received up to Four o'clock P.M. on Wednesday, July 8th, 1925, for One Hundred and Fifteen Thousand Dollars, County of Grey Debentures; Denomination, One Thousand Dollars. The above are straight term sinking fund Twenty-Year Five Per Cent. Debentures, due August 1st, 1945. Interest payable half yearly on February 1st and August 1st, principal and interest payable at the Bank of Montreal, Owen Sound, Ontario.

Payment and delivery at Owen Sound. The highest or any tender not necessarily accepted.

JOHN PARKER,
County Treasurer.
Owen Sound, June 27th, 1925.

The Standard Bank of Canada

Quarterly Dividend Notice No. 139

A Dividend of Three Per Cent. (3) for the three months ending 31st July, 1925, being at the rate of Twelve Per Cent. (12) per annum, has been declared payable on the 1st of August, 1925, to Shareholders of record as at the 16th of July, 1925.

By Order of the Board,
N. L. McLEOD,
General Manager.
Toronto, June 24th. 1925.

The B. Greening Wire Co. Limited

Preference Dividend No. 8

NOTICE IS HEREBY GIVEN that a quarterly dividend of one and three-quarters per cent. on the Preferred Shares of the Company has been declared payable July 2, 1925, to shareholders of record June 15, 1925.

F. J. MAW,
Secretary.
Hamilton, Ont., June 20, 1925.

INTERNATIONAL PAPER COMPANY

New York, June 24, 1925.

April 29, 1925, the Board of Directors declared a quarterly dividend of one and one-half per cent. (1½%) on 6% Preferred Stock and an initial quarterly dividend of one and three-quarters per cent. (1¾%) on the 7% Preferred Stock payable July 15th, 1925, to holders of record of the respective stocks at the close of business July 7th, 1925.

Holders of the 6% Preferred Stock surrendering their stock certificates on or before July 7th, 1925, either to Bankers Trust Company, 14 Wall Street, New York City, or to the First National Bank of Boston, 67 Milk Street, Boston, Mass., for exchange for the 7% Preferred Stock, together with the requisite cash payment of $10.00 per share, will be entitled to receive dividend payable July 15th on the 7% Preferred. Checks will be mailed. Transfer books will not close.

OWEN SHEPHERD, Treasurer.

HOWARD SMITH PAPER MILLS, LIMITED

Dividend Notice on Preferred Stock

Notice is hereby given that a dividend of 2% on the Preferred Stock of the Howard Smith Paper Mills Limited has been declared for the quarter ending the 30th day of June, 1925, payable on the 20th day of July, 1925, to shareholders of record at the close of business on the 10th day of July, 1925.

By order of the Board.
HAROLD CRABTREE,
Secretary.
Montreal, June 22, 1925.

Loblaw Groceterias Co., Limited

A dividend of $1.00 per share on the Common Stock of Loblaw Groceterias Co., Limited, has been declared for the year ending May 31st, 1925, payable July 2nd to shareholders of record at the close of business June 15th, 1925.

By order of the board,
DANIEL URQUHART,
Secretary.

THE FINANCIAL POST

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THE FINANCIAL POST HAS THE LARGEST PAID CIRCULATION OF ANY CANADIAN FINANCIAL PAPER

TORONTO, JULY 3, 1925

CURBING THE TAX-WASTERS

CREDIT is being given to President Coolidge, not only for his energetic and practical efforts to reduce taxation through the adoption of business-like methods at Washington, but for setting spending bodies throughout the whole United States a good example in the curbing of tax wastage. The Wall Street Journal says:

Compared with other countries the load on our federal taxpayer is relatively light. But federal taxes only make up about two-fifths of the American tax burden. All administrative extravagance, federal, state and local, must be met by the taxpayer. President Coolidge's economy program, thanks among other things to the radio, but thanks of all things to the fine courage of the man who submits it, has achieved the most gratifying public success. Its value as an example to local tax-wasters has not been sufficiently appreciated. If our people become impatient with the extravagance of Congress they will soon demand a better accounting for local squandering.

In any popularly-governed country the direct taxpayer is usually the "goat," and this is why politicians so earnestly circumscribe his numbers, both in legislation and law enforcement. If, however, Mr. Coolidge is showing the indirect taxpayer that he is at least equally the goat, he is successfully inculcating a lesson which few of his predecessors have been able to make clear.

What is true of the taxation situation in the United States is equally true in Canada. If public opinion can be aroused to such an extent that expense-cutting and tax-reduction are adopted by the government at Ottawa, then the provincial and municipal spending bodies will undoubtedly follow the example.

It is largely a question of public opinion and what is referred to as "good politics." And the issue should be made a live one at this time when the federal parties are selecting the planks for their platforms in the forthcoming appeal to the Canadian people.

THE SENATE SAFEGUARDS

WITHOUT coming to a vote which would definitely decide the fate of the government's Rural Credits Bill, the Senate gave the measure a hoist for six months. The bill involving the granting of federal credits to be used by the provinces participating in the scheme to the extent of $10,000,000, was brought down on the last day of the session. Objection was raised to such an important measure being rushed through in the dying hours and there was such general concurrence in this attitude that the motion for the hoist was passed without division.

Whether the bill was delayed until its fate became a foregone conclusion is a matter for conjecture. In any event the government is now in a position, if it decides to go to the electorate in the interval, of being able to claim credit for passing a farm loans policy without being held responsible for pledging public credit to the extent of $10,000,000 on a paternalistic experiment.

But while the rural credits plan was designed especially for the Western provinces, and Alberta in particular, it must not be assumed that the idea of plunging the government into this loaning program is unanimously endorsed in the West. Experiences with provincial credit schemes and with seed grain liens have brought conviction that such loans are frequently made on unsound credit and are often repaid reluctantly even when there is security. Furthermore, the conviction has been growing among the successful farmers that eventually they are burdened as taxpayers with a share of the losses sustained.

It has become trite to say that the troubles of the West have been due to too much, rather than too little, credit, but that is becoming more and more generally accepted. We find the Regina Leader, the Liberal voice of the great wheat province, saying that "the period of depression, through which the prairie provinces have been passing, will not have been an unmixed evil if it has taught both borrower and lender the value of economy."

Whether the Rural Credits Bill is a serious effort to meet the needs of the West or only a political gesture, it is to be hoped that in the event of the matter again coming up at Ottawa some opportunity will be given the mortgage institutions—the trust, loan and insurance companies—which have so long and so well served the farmers and home-builders of Canada, to present their case. If, as experienced students of farming and farm financing submit, it is a case of restoring a sound credit basis rather than supplying government funds at the expense of the taxpayers, then the situation will be aggravated rather than improved by the suspended project.

CANADA IN WORLD BANKING

THE closing of the New York agency of the Union Bank of Canada this week is not without significance. The decision has its immediate cause in the pending amalgamation of the Union with the Royal Bank of Canada, which will continue its New York agency in the sky-scraper building of its own in the heart of Wall Street. Its main significance, however, is its indication of the trend toward lessened participation, on the part of Canadian bankers, in world banking.

The Union Bank of Canada opened its New York agency in April, 1917, Geo. Wilson, present assistant general manager resident in Toronto, being the first agent. Its entry into New York was coincident with America's entry into the world war. In fact, Washington's decision almost caused a change of policy in the Union directors' decision, in view of international uncertainties. It was the Union's first step forward in development of international banking arrangements, a policy further stimulated by later participation in the Park-Union Foreign Banking Corporation. This latter development came a sorry cropper.

The Union Bank's retirement from New York is the third Canadian banking withdrawal from New York since 1917. The Bank of British North America withdrew following merger with the Bank of Montreal, and the Merchants Bank of Canada closed up its New York shop when the bank in Canada collapsed.

Five Canadian chartered banks, however, continue the direct New York contact, the Bank of Montreal, Royal Bank of Canada, Canadian Bank of Commerce, Bank of Nova Scotia and Dominion Bank. The Bank of Montreal is the pioneer in the field, having established there as far back as 1885. The Dominion Bank is the newest comer; setting up in New York in 1919.

NEWFOUNDLAND'S PROSPERITY

WITH the idea of discouraging the exportation of forest products in their raw state and encouraging the establishment of home industry—as well as providing revenue—the government of Newfoundland imposes an export tax of $1.00 a cord on unmanufactured timber. It is evident, however, that the tax is not as effective as those who advocate domestic manufacturing could desire. The St. John's Daily News reproduces an item from The Financial Post to the effect that the North Sydney Pulp and Lumber Company has leased 30 square miles of timber land in New Foundland and has contracted to supply a certain number of cords yearly, thus providing increased employment for Cape Breton lumbermen; the News demands that inquiry be made into the situation and action taken to prevent the export of unmanufactured materials; it comments:

The situation calls for enquiry, and action. With paper mills in our own borders, there is neither wisdom in, nor extenuation for, the export of the raw material. "A close investigation into the grants and surrounding circumstances may possibly show some way of escape," we said, when referring to the contemplated "amazing" slaughter on June 8. Inasmuch as it is to be perpetrated for the United States market, there would appear to be no difficulty in finding the way of escape, despite the legislation which permitted the export of unmanufactured timber for a dollar a cord. That the lumbering is to be done by Cape Breton laborers, is incidental. If the slaughter is to be perpetrated those who live in the vicinity of it, would surely be first entitled to any benefits that may arise.

Firmly believing that Canada should restrict the exportation of her raw materials to secure the greatest advantages in the upbuilding of Canadian industry by marketing finished products both at home and abroad, The Financial Post is heartily with the people of Newfoundland in their effort to similarly conserve for home industry the resources of the Northern Dominion. If lumber and paper mills can be added to the country's industrial activities — now largely centred around the fisheries—and an all-year-round manufacturing pay-roll established, which will not be influenced by the fortunes of the fishermen, an important factor for business stability and national prosperity will be provided.

AS A former president, Grover Cleveland, pointed out, the United States government has not a dollar to give anybody which is not taken out of somebody else's pocket. And the same is true of the government of Canada or of any other country.

Disastrous Results of the British Unemployment Dole

One of the Factors That is Seriously Interfering With the Efforts to Get British Immigration For Canada

By HERBERT N. CASSON.

At last England is being thoroughly aroused in opposition to the dole—the weekly pensions that are being paid to the unemployed.

Even George Lansbury, one of the most rabid of all Socialist members of Parliament, has now come out against the dole.

He attacked it in Parliament in a most passionate speech. He declared that the dole had caused "the wholesale demoralization of young men between 18 and 25." "No young man," he declared, "should be given a cent for doing nothing. If he will not go on a farm and work, he should starve. It is a crime against society," he said, "to lead young men to believe that they can live by doing nothing." This outburst from Lansbury, the founder of the "Socialist Daily Herald," has had an immediate effect. England is now asking, for the first time, how can the dole be abolished?

Officially, there are now 1,279,000 people drawing the dole. They are receiving at the rate of $250,000,000 a year.

Of this money, the employers are paying $90,000,000; the government $82,000,000 and the workers $78,000,000.

$5,000,000,000 Given Away

But this does not begin to represent the full amount that is being given away. The total has been concealed under such heads as special grants, mayors' funds, parish relief, welfare centres and poor law.

One dole-taker was discovered recently in London who was drawing $40 a week from eight different funds.

Since the war, at least $2,500,000,000 has been given away to men and women who claimed that they could not find work.

If we add to this amount given in pensions, we will arrive at a grand total of $5,000,000,000 — all given away, out of the pockets of the taxpayers, in the last seven years. The wonder is that taxpayers have not revolted as they did in Spain, and refused to pay taxes until the dole was abolished.

Five billions! Had it been wisely spent in creating new capital, it would now be giving work to 1,000,000 people, and England's unemployed problem would be solved.

Every day there is a new dole scandal. In one small town, where there were over 1,000 women drawing doles, a committee of private citizens made an investigation. They found that only forty women were in need of the money.

Incurable Slackers

In one of the boroughs of London, a socialist borough called West Ham, a dole of $15 a week is being paid. The borough council has spent $17,000,000 on doles and is now in a state of bankruptcy.

A man may earn $5 a day for three days a week and then draw a dole on top of it. He may work on his land and then draw a dole because he is not working at this trade.

So, while there are tens of thousands of self-respecting men and women, who are out of work and who refuse to apply for doles, there is an immensely larger number of people who are practising all manner of degrading deceptions in order to get some of this free money.

England is being changed into a soup-house, instead of a work-shop. Idleness instead of industry is being subsidized.

Out of the host of 1,300,000 unemployed, fully 200,000 have now become unemployable. England does not know what to do with these incurable slackers, and the Colonies refuse to have them.

Last year the army called for 34,000 men and could only get 30,000 although 200,000 young men are living on the dole.

Tens of thousands of workmen, who were formerly industrious, have slipped down in self-respect until they are now living on the earnings of their wives, plus the dole.

In short of all well-meant follies, the dole is now the most conspicuous. It has not, on the whole, helped the mass of wage-workers; and it has done much to lower their status in the British Isles.

It was originally started as unemployment insurance, with the workers themselves contributing nearly one-third.

But during a bad winter this insurance was transformed into a mere charity. It was given, right and left, to people who had never contributed.

It was then called the "dole" as a nickname, by the recipients themselves. It was never, at any time, popular among the better class of British workers.

It started as an insurance benefit, and it was degraded into "something for nothing." Worse still, it was linked up with the poor law and put the stigma of pauperism upon hundreds of thousands of people who wanted to be self-supporting.

The Socialists, too, used it as a lever to extort more. They demanded that the dole should be raised until it reached the height of "full maintenance."

"Work or full pay," became one of the Socialist slogans. The dole was sneered at as being not enough.

The final result of it all is that the dole has no friends, except the Department of Labor, which pays out the money.

It has not decreased social discontent. On the contrary, it has greatly stimulated discontent and communism, as it is, in itself, essentially a communistic measure.

The general opinion in England is that the pauperizing features of it will be eliminated during the year, and it will continue only in its original form of unemployment insurance.

Son Succeeds Father as Head of the Canada Bread Company

WILLIAM T. BREDIN

William T. Bredin this week assumed the post of general manager of Canada Bread. He succeeds his father, Mark Bredin, the latter having held the helm of the business ever since he organized, first, the Bredin Bread Company and later Canada Bread Company. Mr. Bredin, Sr., continues as president and chairman of the board. His son has been vice-president for the past few years as well as assistant general manager.

Bredin, Junior, who is in his 38th year, has been well trained for the position he has assumed. When 16 years old he entered his father's bakery, starting at the bottom and mastering every detail of the bread business, as a baker and an executive. He broke his training for 3½ years, which he gave to overseas service, and on his return assumed his old post

Canada Bread turns out some of the niftiest delivery outfits in the city. It may be that the son is to blame for this, as he is an enthusiastic horseman, being an executive of the Dominion Day Horse Show Association and a member of Toronto Hunt Club.

Hudson's Bay Final Settlement for Giving Up the Prairies

Gentlemen Adventurers of England Given Vast Territory and Right in Perpetuity Have Steadily Released Their Grip

The recent Hudson's Bay Co. report contains the statement that a final settlement has been made with the Canadian Government in regard to their land account. The company will receive an additional 239,000 acres, the final instalment under the 1870 deed of surrender.

The grant, or settlement, means that the company will have received 6,639,000 acres instead of the 7,100,000 claimed for the surrender of Rupert's Land. By the terms of this agreement the company surrendered its claims to the land west of the Great Lakes, which had been given to it by King Charles. The company was to get a sum of money and one-twentieth of the land in the "fertile belt, set out for settlement." The dispute arose on the point of what constituted "fertile land," especially in regard to Indian and forest reserves. The company held that these lands were set out for settlement but the government held otherwise.

This will add a certain amount of land to the rapidly dwindling holdings of the company, which in 1922 stood at 2,835,934 acres.

The final settlement of claims of the company recall what to-day is regarded as the generous treatment which was handed out to the "Gentlemen Adventurers of England" some two centuries and a half ago. In regard to the question of grants under the charter, the following was outlined by the Government of England at that time:

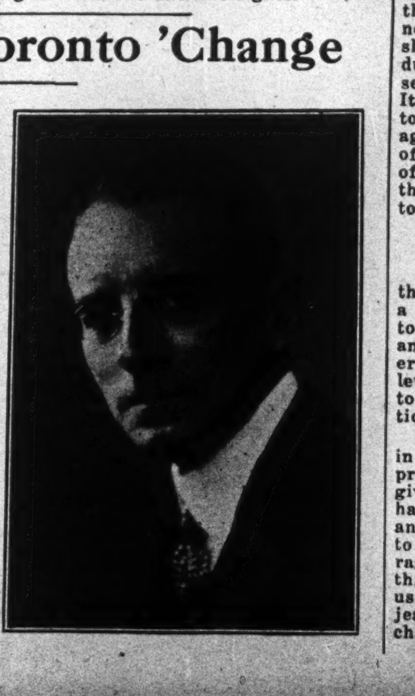
"And to the end the said governor and company of Adventurers of England, trading into Hudson's Bay, may be encouraged to undertake and effectually to prosecute, the said design of our more special grace, certain knowledge and mere mention, we have given, granted and confirmed, and by these presents, for us, our heirs and successors, do give, grant and confirm, unto the said governor and company, and their successors, the sole trade and commerce of all those seas, straits, bays, rivers, lakes, creeks and sounds, in what so ever latitude they may be, that lie within the entrance of the straits commonly called Hudson's Bay straits, together with all lands and territories upon the countries, coasts and confines of the seas, bays, lakes, rivers, creeks and sounds aforesaid, that are not already actually possessed by or granted to any of our subjects or possessed by subjects or any other Christian prince or state."

The charter proceeds with the said matter in granting "Royal Fishing rights" and the mineral rights.

A map of the area shows how strongly Canada was tied-up by this charter. The land in question followed the 49th parallel from Lake Superior to the Rockies, north to about Edmonton, north and east to the Arctic. The eastern boundary was from halfway between Fort William and Winnipeg north to about the trans-continental, east to about north of Montreal and then north through Ungava to the Arctic. All within these boundaries was exclusively the property of Hudson's Bay. The whole of the prairies of to-day were owned outright in perpetuity.

This charter was changed. The final change has been made. There have been many other changes. Perhaps the most significant of late years has been the development within the company into the department store business in the large centre of the West. They are "Hudson Bay Posts" on an elaborate scale!

New Head of Toronto 'Change



George Gooderham Mitchell, senior member of the brokerage house of Brouse, Mitchell and Co., will preside over the destinies of Toronto Stock Exchange this year. He stepped up from vice-president to fill the vacancy created when President Cassels last year moved to New York and his term of office has been lengthened to 18 months.

Mr. Mitchell made his debut in the financial world in 1901 when he and Mr. Brouse formed the present firm. This gives him a quarter-century as a member of the Toronto Stock Exchange. As to his previous experiences, they are said to have been "rather uneventful," including such as building a railroad in Brazil some 26 or 28 years ago. It must have been one of the first in the country, for they are still building them. Incidentally Mr. Mitchell had to be an engineer, to undertake such a task. He was in France with the 58th Battalion.

Current Opinion

END OF SUBSIDY PLAN

Victoria Colonist: The report of the committee of the House of Commons which has been investigating North Atlantic freight rates seem to, in effect, if not specifically, dispose of any possibility that parliament will, during the present session, endorse the proposal for a subsidy with a view to reducing such freight rates. The lamentably sudden death of Sir William Petersen, who had negotiated a subsidy with the federal government, coming almost simultaneously with the issuance of the report, is another reason why the matter should be shelved. The report, however, itself is sufficiently straightforward to make it a matter of very dubious policy for the government to insist on its subsidy proposals being endorsed by parliament. It may be taken for granted, therefore, that the latest attempt at state interference with industry will be dropped.

CHARGES FOR TOURISTS

Quebec Chronicle: It is stated by one of the leading authorities in the United States that the tourist business of California which was at one time second to none in the United States, suffered a severe check because "of the greed of certain merchants, garage men, hotel keepers, and proprietors of amusement places." When tourists are treated that way they not only do not come again themselves but they strongly advise their friends and acquaintances to avoid that locality. The tourist traffic is business, a profitable business, and one that should be conducted as a merchant conducts the business which he desires to see grow larger and larger every year. It is necessary to so impress our visitors that they will come back again and again. We must make regular customers of them and use them as our best means of advertising our city and province and the many attractions they can find here, to their friends in their own country.

THE TOURIST BUSINESS

Vancouver Province: Among the things which will win British Columbia a fair name among the people who come to her are the courtesy of her people and their willingness to assist strangers and give them information. Many letters have been received from visitors commenting on these characteristics of our citizens.

Not a few letters have been received in Vancouver, too, in praise of the fair prices charged in this city. Tourists give unsolicited testimony that they have been treated fairly and honestly and that there have been no attempts to gouge them or make them pay outrageous prices. A reputation such as this for fairness can not help working us much good. We should guard it most jealously. The greed of certain merchants, garagemen, hotelkeepers and the proprietors of amusement places is said to have been largely responsible for the recent slump in California's tourist business. The visitors realized they were being imposed upon and kept away.

GET BACK TO SOUND BASIS

Regina Leader: A charge sometimes made against those engaged in loaning money in this part of the country in the past is that they encouraged extravagance in order to increase their business. Whatever truth there may be in that accusation, at least the president of the Bond Dealers' Association of Canada recognizes the danger of such a course.

A new country like this requires a large amount of development capital. The successful financing of it demands honesty and intelligence on that part of both borrower and lender. A credit agency which counsels extravagance simply to increase its loans is its own worst enemy; for it weakens the whole credit fabric and runs the risk of losing its own money. The period of depression through which the prairie provinces have been passing will not have been an unmixed evil if it has taught both borrower and lender the value of economy.

A CONSTITUTION TO ORDER

Nelson News: "It is imperative that the parliament of Canada shall have sovereign rights. Our Dominion must acquire the constitutional status of a nation, enjoying absolute equality with any other part of the British Commonwealth. The rights hereby demanded should not rest on sentiment, nor assurances of statesmen, but should be enacted as law by proper parliaments."

So assert the Native Sons of Canada in convention at Kamloops, in their manifesto outlining a national policy.

To demand sovereign rights for Canada is to imply that Canada has not such rights at present. Yet in positively every particular that affects Canadian soil and Canadian rights, with one single exception, power rests exclusively within the Dominion.

That exception, the right of appeal to the privy council in civil cases, was embodied in the British North America Act by its Canadian framers, and with the rest of the act was adopted by the several constituent colonial parliaments whose consent brought about Confederation. It seems a good deal of a quibble to argue want of sovereignty under these circumstances.

GET IT STRAIGHTENED OUT

Hardware and Metal: The tangled freight rate situation existing in Canada to-day is doing more than anything else to impede progress toward more stabilized conditions and to a closer knitting of the interests of each section of the far flung Dominion. These are times when each section of the country must stand together for its national interests and not allow sectional prejudices to enter. There has been altogether too much of a tendency lately to play the West against the East and to ignore the particular interests of the Maritime provinces. Such a condition can only be expected where the urgent business considerations of the country such as freight rates are allowed to become political footballs as is the case at present. The situation shows a little sign of clearing at present due to the returning to the Dominion Railway Board of power to deal with all complaints of discrimination. This board should get busy at the earliest opportunity and establish a freight rate structure that will encourage more movement of freight over Canadian lines and that will bring into effect the lowest possible rates governing the movement of basic commodities such as grain and coal so that Canadian resources may be developed.

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Personal

ROBERT JEMISON, JR., chosen by the delegates of the annual convention of the National Association of Real Estate Boards of Canada and the U.S., in Detroit, June 23-26, to head that organization through 1926, has had a large share in the suburban development of Birmingham, Alabama, where he lives and heads two firms, Jemison and Co., and Jemison and Seibles Insurance Co. Fairfield, for example, an industrial suburb of Birmingham, is almost entirely the creation of Mr. Jemison. The new president elect served with Charles M. Schwab during the war in the housing division of the Fleet Corporation in Philadelphia, and has served on several advisory boards for Birmingham.

WILLIAM BRUNSWICK HOWARD, general executive assistant of the Canadian Pacific Railway, whose death occurred on Sunday in Montreal, was one of the younger officials of the Canadian Pacific Railway, although he had twenty-eight years of meritorious service to his credit. Born in Chatham, N.B., on September 15, 1877, he attended Chatham Grammar School, served with the firm of Manchester, Robertson and Allison, of St. John, then entered the employ of the railroad on August 22, 1897, as a junior clerk. After two years in the district passenger department at St. John he was, in August, 1899, promoted to the post of traveling passenger agent, St. John district. In February, 1902, he became chief clerk of the department in which he started, and in June, 1906, he was named acting district passenger agent, always for the St. John district. Six months later he was nominated permanently to that office, and he remained in that position until February, 1916, when he was transferred to Toronto as district passenger agent. In September, 1922, Mr. Howard went to Montreal as assistant general passenger agent, eastern lines. Last January, on the retirement of F. L. Wanklyn, he was promoted to the post of general executive assistant and held that office until his death. His work took him all over the system, and last year he was in charge of the Prince of Wales' train when His Royal Highness travelled over the Canadian Pacific Railway from Vancouver to Winnipeg.

Retailers Using P. O. C.O.D. to Increasing Extent

Since the advent of the C.O.D. parcel post by the Canadian Post Office Department in October, 1922, the service has experienced much growth and development. At first feared by retailers as another means by which mail order firms would be assisted in building up business in the outlying sections of the country, the service is now shown to be used to a greater extent by general retailers than by mail order firms, according to Hardware and Metal.

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Your Investments

Questions of general interest submitted by subscribers of The Financial Post will be answered in this column, in which case only initials will be used. Other inquiries will be answered by mail. A three-cent stamp should be enclosed to cover a direct reply.

English Electric

Miner, Ontario:—I have been holding English Electric shares. Is the company making any progress?

English Electric has been doing much better the last year or so. The company by reorganization of its plant, has been able to compete for large electrical contracts and is said to have been getting its share of these. Recently an arrangement was completed with another large English company which should allow the company to further enlarge the scope of its operations.

Keora

W.M.C., Ontario.—Would be glad to have your opinion of the outlook for Keora shares.

Your Keora shares stand an excellent chance of working out well. The company purchased Calcite Lake property in Gowganda and recently secured a concentrator which is to be erected on the property. Officials of the company state that they hope to have it operating by Aug. 1, and state that there is two years 'ore ready to be treated.

Trust Companies and Banks

Nipigon. — Would you consider depositing money in the Union Trust Co. as safe as placing it in the bank?

We believe you would be quite safe in depositing your money in the Union Trust Company. The trust companies are operated under close government supervision which has as its first consideration the protection of depositors. The banks to-day are in an equally sound position; the experience of the Home Bank indicated the desirability of some kind of government or outside supervision for the protection of the public.

Power Corporation

W. C., Ontario.—Re Power Corporation stock referred to in The Financial Post of June 19, would you recommend it as a safe investment?

There are three factors which make us believe in the future of the Power Corporation: first, the generally excellent record of power companies in Canada; second, the results achieved elsewhere by holding companies of this nature; third, the constituent companies of the new organization. Incidentally, it is to be noted that the stock is being purchased rapidly. All this makes us believe that the purchase, which also carries a bonus of common stock, is attractive and will probably make money for you.

C. W. Dome

New Subscriber.—Have you any information as to the progress being made by Consolidated West Dome Lake Mining Co.?

The company has had its ups and downs. At present it is producing around $26,000 a month which is paying expenses and allowing a good sum for exploratory work. It is understood that an excellent shoot has been found on the 1,050-ft. level and if this vein persists to lower levels, it would make the operation look better. Officials of the company state that the mine will carry itself without a reorganization. Such being the case the shares should be regarded as a speculation, the degree of which is indicated by the market price of the shares.

Contact Bay Mining

Reader, Bridgewater.—Kindly let us know if there is any market and any value to shares of Contact Bay Mining.

Contact Bay Mining Co. is operating in North Western Ontario. This section was in the forefront a number of years ago and has been neglected ever since until lately. There is an opinion abroad, that with modern mining methods, many of these properties can be placed on a profitable basis. That remains to be seen. The outlook, in view of the rich ore that was mined there years ago, is not without promise. The property is still in the prospect stage so that the shares are to be regarded as a pure speculation. The shares are unlisted and there is no known market for them.

Dominion Alloy Steel

A. A. L., Quebec:—How do you regard Dominion Alloy Steel? I enclose a circular sent me.

Dominion Alloy Steel which is locating a large plant at Sarnia, now partially constructed, seems to be making progress in a substantial way. The company has had a hard fight, but recently started its first production unit. It is claimed that there is available a large market in Canada for its products and it is in the hands of men who seem to be working on sound lines. Capitalization is $7,500,000 8 per cent. convertible preferred, par value $10 and a similar amount of common. The preferred is convertible into common on a share for share basis and is callable at $10.50 after 1933. It is being sold at present at par with a bonus of 50 per cent. of common.

U. S. Investments in Canada

Banque Canadienne, Montreal.—Would you kindly supply us with data on the United States capital invested in Canada: Dominion loans, municipal, public utility and industrial bonds.

Is there any means of arriving at some approximate figure as to the amount of United States capital invested in Canadian stocks?

According to information recently compiled, there is now approximately $300.874.000 of American capital invested in Dominion Government issues. In provincial issues there is approximately $252,000,000, and in municipal issues, $316,000,000.

The following amounts of United States capital are invested at present in Canadian industrial bonds:

Forestry	$325,000,000
Mining	235,000,000
Fisheries	5,500,000
Public services	137,000,000
Other miscell. indust.	540,000,000
Banking and insurance	35,000,000
Mortgages and lands	75,000,000
	$2,478,500,000

The amount of United States capital invested in Candian stocks is in the neighborhood of $2,020,733,000.

Mt. Royal—Loblaws

Reader, Northern Ontario.—What is the outlook for Mount Royal Hotel? I hold a small amount of Loblaws first preferred and was considering buying more, or perhaps some of the second preferred. How is Brantford Cordage regarded?

Shares of Mt. Royal Hotel have been in demand of late with the result that the shares are now selling considerably above what they were a week or so ago. It is not though that there has been any distinct change one way or another in the company's operations, but indications are that they will have an excellent summer as the tourist traffic seems to be coming into Canada in heavy volume both from the U. S. and abroad.

Loblaws have outstanding $545,000 of 7 per cent. prior preference stock and $237,000 of second preferred. The security for the first, will, of course be the better. It has another feature. The company, after paying preferred dividends must set aside 10 per cent. from the remaining profits to purchase preferred shares on the open market. This should serve to make the stock scarce as years go by. As it is not callable, the price should advance from year to year. The Brantford Cordage offering was well sponsored and is well regarded as an industrial issue.

Manufacturers' Finance

J. F., Ontario.—Will you kindly favor me with your opinion concerning the shares of the Manufacturers' Finance Corporation. I would like to buy some of their 8 per cent. cumulative participating preferred shares, and before doing so, would appreciate your opinion in the matter.

The prospects for Manufacturers Finance Corporation appear to be bright, although the business of buying instalment paper is still somewhat new in Canada. The Corporation earned $61,455 net profit in 1924, the total revenue was $99,091, with overhead of $37,636. After providing for the two half yearly dividends of 4 per cent. on the preferred and a contingency reserve of $15,000 there was a balance of $23,036. The company recently absorbed the Dominion Finance Corporation, and the two now have a joint capital of about $1,000,000. While the preferred shares are well regarded, it must not be overlooked that there is not the same degree of marketability in the case of these shares as with the ordinary stock or bonds. We could not therefore recommend these securities to anyone who does not wish to have his money tied up. They are more or less of a permanent investment, and should be considered as such.

Four Speculations

E. B. S., Ottawa:—I am thinking of buying Atlantic Sugar, Canada Steamships preferred, Mexican Light and Power and Davies "A". In what order would you place their speculative possibilities with a view to profits in the near future?

Atlantic Sugar has been much in the limelight of late. There has been considerable buying of both stocks on the strength of reports that the company's export business was improving rapidly. Lately it is said negotiations for control have been under way and that an offer of $50 a common share was turned down and later negotiations resumed on a bais of $65 a share. The common is selling around $30, preferred $73.

Steamships preferred are regarded as having good possibilites for a hold, but during the next few years the company may have to do considerable financing to purchase new boats. The preferred shares are over $3,000,000 in arrears of dividends.

The outlook for the Mexican issues is not the brightest. Elsewhere in this issue the situation in Mexico and the present position of Canadian companies with interests there, are dealt with.

Davies "A" shares are selling around 24-26. The outlook for this company is said to be steadily improving. Canadian packers are regaining their position in the English bacon market and it is believed that progress in this direction will be rapid from now on. All four issues are quite speculative.

Rouyn Gold Belt

G.B.W., Montreal.—As you are doubtless aware, Rouyn Gold, Rouyn Quebec and Ottawa Rouyn transferred their mining rights to Quebec Gold Belt in exchange for new shares, par value $5. Since meeting to approve of this, Rouyn shares have steadily dropped and are now at 4 cents. We have been informed that about September a cash offer would be made to shareholders of Rouyn. They would have the option of taking shares or cash. Would it be wise to sell at the present market or hold for developments?

It is expected that shareholders of Rouyn Gold, Rouyn Quebec and Ottawa Rouyn will be offered an exchange of shares by Rouyn Gold Belt, the company organized to take over the three. While no public announcement has been made it is expected that these shareholders will be offered one new share for nine old. As the new shares are to be offered to the public at $3.50, it will be seen that they are given a tentative of around 40 cents. The development of Rouyn will depend on the solution of the railway problem. The last opinion is that most of the properties in Rouyn have a chance, and as the Gold Belt holdings are extensive, it would seem to be wisdom to make the exchange rather than sacrifice shares at the present market which is perhaps only a fraction of what they cost you. If anything we would say that the outlook for the property and shares is better to-day than it could have been at the time you purchased.

Speculated Too Much

Speculator, The Prairies:—Has Everett started working? I have been holding 3,000 shares. Is there anything known of their plans? I also have some Baldwin. How are Clifton's finances? I have also Coniaurum, Goldale, Argonaut, T.O.B. and Crown Reserve. I did well in mine speculations last year, but C. W. Dome at 28 and Tough Oakes were depressing. I have done well, however, and hold Alabama Traction, P. Burns' bonds and Lake Shore and have considerable in the bank. The Post helped me get these and though I have had set backs I will be as well off next spring as the fellow who played "safety first." I was a little too risky, however, and intend in future to adopt a saner policy and put half my savings in mining issues and half in proven stocks.

Everett has not as yet started operations. Those in control are still waiting an opportune time to carry on financing. There has been a rumpus among the Baldwin interests and practically a new board is in control. Their plans are not as yet announced. The property is shut down. Clifton has enough funds in the treasury to test out the Cobalt property. It is speculative, as the price indicates. Consolidated West Dome may yet work out. If it does, it should come in a big way, very like Teck Hughes did some say. You are acting wisely in deciding to place a part of your funds in other than mining speculations. If you watch The Post carefully you will, from time to time, find some excellent information on industrials and bonds. Porto Rico and Brazilian are well worth watching. Hold tight to your Coniaurum and Goldale. T. O. B. may work out. It will take time. Argonaut is a hold.

Gary for Fair Deal for Public and Competitors

By JUDGE E. H. CARY,
President, American Iron and Steel Institute at Annual Meeting.

Business needs to be readjusted so as to bring all lines and divisions into fair and reasonable proportion and comparison just as much as the human body which has been bruised and dislocated.

Possibly the worst disease that affects the business structure, is the abnormal, unnecessary, timid and ill-poised mental attitude of the managers themselves, including ourselves.

If the medical expert, or his patient, becomes, or especially if both become, alarmed, despondent, hopeless, lethargic, the chance for improvements is poor indeed. With hope and belief, determination and energy, the case is much better. We know this from observation and testimony. We also realize that all this applies to the business man and the affairs under his care and supervision. The attitude, conversation, substance and manner of statements concerning the present conditions and future prospects of business often materially affect its progress and success. Indeed they not infrequently lead to one thing and another, until they become contagious up to the point of panic. The real pessimist, that is, the one who looks to the worst side of everything and insists upon talking about it, is very likely to become a pest; to be a party in pulling down his own house and burying himself in the ruins, and at the same time starting a conflagration.

There is a right way and a wrong way of stating a fact for consideration by those who are not well advised. It is just as proper to say: "We consider business is good; it is up to 75 per cent. of producing capacity," as it is to say: "We consider business bad; it is down to down to 75 per cent. of producing capacity." Whichever expression is used, the result is the same—6 or 7 per cent. profit. The net returns of business will not be different, but the psychological effect on those who hear may be quite different.

There is another form of business disease that should be mentioned. It grows out of a feeling of selfishness or envy, sometimes cupidity. It results in injury to the one who provokes or practises or bows to it. It is natural for all of us to desire success, to prosper, to get our full share of business, proportionate to our producing capacity. If we think, because of reports, that our neighbor, our competitor, is securing more than his fair share of business, especially if he is selling to one who for years has been our regular customer, depending upon points of delivery and costs of transportation, we are apt to be provoked and to attempt to retaliate.

We are all human. We perhaps occupy glass houses. We had better not throw stones. None are intended. It they were, the number of stones might not be sufficient. Before the number was fixed we would count every one in the room. That has nothing to do with the question. We believe in competition, in vigorous, energetic, unyielding competition. This the law demands, and what is better, fair treatment of our customers requires. But we do not believe, or certainly most of us do not believe, in unfair, destructive, unrighteous competition, which is calculated to ruin the competitor. We believe in dealing openly, for we know in the long run this advances the interests of both producer and consumer; that stability and just dealing are desirable and beneficial to all who are interested. We also believe in fair and reasonable prices to the consumers, taking into account costs of production and delivery, and the same to the producers up to the maximum of practicability and moral principle.

Perhaps all of us, producers and consumers, need to be vaccinated with the necessary virus against the disease of selfishness, illiberality and lack of conscience. If so let us promptly submit.

And, gentlemen, with all our vitality let us emphasize the fact that it will pay in dollars and cents to our principals, the stockholders or owners of our concerns, to be fair and reasonable towards everyone interested in our affairs and our management.

Collecting Time Payments

(Continued from page 2)

is only one way to deal with this individual, and that is by prompt action resulting in payment in full or repossession of the article financed.

A lack of systematic collection encourages delinquency. Promptness on the part of the collector forces prompt payment. Stale accounts are hard to collect and men and women are sensitive about neglected obligations. The collector's touch will be most productive while the purchaser's mind is fresh and fertile before he has stiffened his back, as it were.

Best Work Precedes Maturity

There is no use in locking the door of the stable after the horse has gone, and therefore it is before the maturity of the instalment that the best work can be done. The purchaser must be kept in the same frame of mind he was in when he bought on time. His interest in the article financed and his desire for it must be maintained. Therefore, after delivery has been made the debtor receives a courteous letter briefly and clearly outlining the benefits of the deal to him, advising a careful reading of the copy of the agreement, and pointing out place and time of payment. Then from ten to seven days before maturity of the instalment, a notice is sent out giving the necessary particulars. This notice may take the form of a bill or card, but its main object is to insistently keep before the debtor his liability from month to month.

As each case is different, collections should never be mechanical, but owing to the immenseness of credit on the instalment plan, and the number of accounts carried, large organizations are forced to use an automatic system up to a certain point. Form letters are generally the medium used for the mechanical follow-up. These letters have been tested and have proven their pulling quality. Possibly three are used, one four days after due date, another in twelve days, and the third when the account is twenty days in arrears. After two weeks of delinquency personal attention is given to the account. The collector looks through the file and from the correspondence and statement made at the time of purchase he visualizes the debtor. A firm and courteous letter is then specially dictated—an appeal that will be read before consignment to the waste paper basket.

The collection letter is not the outlet for choice, high-sounding phrases, it is the hand that grips the debtor's and points out to him as man to man the reason why his account should be paid, and makes him want to pay voluntarily. Reasoning is the drawing card, not cajoling or threatening. There are the reasons why it is distinctly to the purchaser's advantage to pay promptly—the protection of his equity, the saving of additional interest, and the consequent embarrassment that will be caused by delay.

Where a letter fails, a telegram often does the trick. Telegrams convey the idea of immediateness, and they invariably "bring home the bacon." The telephone is used extensively—it gets the collector past locked doors right into the home. It puts him right in front of a busy man, who just has to listen. The directness of a telephone call brings results.

The time arrives, however, when the debtor and his collector must get face to face. Personal calls by members of the collection department are only used in exceptional cases, they take up too much time. The public generally stands in awe of the impressiveness of large organizations handling the collecting of a time payment account, and for that reason, if for no other, the discounting companies collect more readily than the dealer. People would rather deal with an organization than an individual—perhaps because of the moral comfort they get out of the fact that many others are taking advantage of the same line of credit.

Quite often there is some misunderstanding that can be straightened out by a talk—sometimes the date of payment does not coincide with the debtor's pay day. And so a request that the debtor call at the office will bring him in nine times out of ten, he prefers the matter handled on a business-like basis in an office rather than have the privacy of the home invaded.

In a letter the collector talks at the purchaser, but in an interview he listens and if the debtor talks long enough his conversation generally provides the collector with many reasons why payment should be made. What may appear to be utterly impossible to the debtor is soon quite possible when he realizes what he is up against and the advantages to himself of immediate payment. Just the right touch of sympathy and understanding reinforced by a determination to collect, will work wonders. Men must be made to pay voluntarily and so force is only used as a final measure. Threats that are not carried out are useless, but quick decisive action shows the debtor that the collector means what he says, and is on the job.

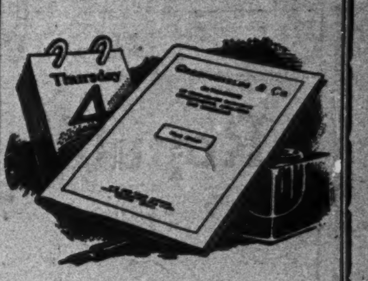
Where the article has not depreciated and equity is protected repossession proceedings are instituted. The debtor is usually given the courtesy of a forty-eight hour notice before action is taken. After seizure has been made the collateral is held for twenty days in accordance with the law and is then sold for what it will bring—the proceeds being applied on the account. If these proceeds are not sufficient to cover the balance outstanding, then the debtor is sued for the balance. Naturally repossession is the most effective measure—it brings results. The debtor will do everything to avoid the embarrassment and expense of having a bailiff hanging around—he does not want to lose his property, and the money he has put in it, and so the forty-eight hour letter nearly always does the trick.

Legal measures are avoided—they are tedious, expensive and not always successful. A judgment is not much good if the debtor is judgment proof. Suit courts unwanted publicity and does not always result in payment. If the debtor has the money at all, the collector with the art at his commands, based on his right to the money, can get it eventually, and although the usual policy is no extensions, sometimes a little extra time will not only bring in the money but will encourage the debtor.

It seems, therefore, that collection work to-day is primarily educational. Once the purchaser is educated in the habit of paying promptly, he will keep it up automatically if he can.

BIG FOREIGN LUMBER ORDER

VANCOUVER.—An order for 10,000,000 feet of standard Australian specification lumber was placed with British Columbia sawmills this month, the first big order for foreign delivery to come here in some time.



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News of the Investment Market

MUNICIPAL BONDS IN DEMAND AND FUNDS PLENTIFUL

Rise in Money Rates Not Yet Felt in This Market

Activities in the bond market have been somewhat interfered with by the mid-week holiday, but there has been a fair volume of business. Bidding on the issues that were awarded this week was unusually active. The New Brunswick issue was bid for by eighteen houses, and the Peterborough offering by twenty-four. The Belleville and Victoria issues also called forth a substantial number of bids. There were no offerings of importance in the industrial field.

The sudden strengthening of call money has not affected the Canadian market yet, but it had at least a temporary effect in the New York market. Attention was called a few weeks ago by The Financial Post to the prospects of a hardening of the New York money rates, and the probable effect upon the bond market both there and here. At no recent time has the money situation been more closely watched than now. It has been generally felt that any decided tendency towards higher rates would be the signal for heavy liquidation in New York. While it is yet too early to make any definite statement, it is evident that the first effects in the American market have been a break in stock prices and a reactionary tendency in the bond market. It is true that declines have not been severe, but there is strong feeling that a continuation of the higher rates might easily have a stifling effect upon buying.

An influence in the other direction, effecting the New York market, is the statement of President Coolidge with regard to tax reductions. It is the general feeling that this proposal should have a livening effect on the bond market as well as stocks. Moody's opinion, as expressed in a current letter is that "the proposed tax cut should prove a stimulating influence. Stocks as well as bonds should be benefited because when there is a plethora of capital the stock market gravitates toward an income basis.

"Tax-free issues, including bonds of the states, the United States and strong municipalities are unlikely to be depressed at all, because any large tax reduction would increase rather than diminish the amount of capital seeking investment.

"Corporation bonds, however, should be benefited to the extent the taxes are reduced, because the yields of these virtually include allowances for covering federal taxes, with the result that the decrease of the taxes actually increases the net yield to investors.

Another factor making for a stronger market was the reinvestment of the mid-year dividend and interest payments. The total of these amounts will be in the neighborhood of $438,000,000 ,and a start on the investment of this amount had a buoyant effect upon the market. The same factor will have influence in the Canadian market. July payments of this nature approximate $31,000,000, and the reinvestment of the major part of this, which can be counted on, cannot but prolong the strength now in evidence.

The Week's Offerings

The largest issue of the week in the Canadian market is the $882,000 flotation of the province of New Brunswick, which was sold at the satisfactory price of 99.35. The rate is 4¾ per cent. and the bonds are a ten year issue. Of three city issues sold, the best price was that of Peterborough, viz., 100.42 which represents a yield basis of 4.97. Belleville sold its issue fractionally below par at 99.68 which is a yield basis of 5.03. The bonds were 20 and 30 year serial, $41,500 of the former, and $78,000 of the latter. Both were five's. The city of Victoria paid the highest price, viz., yield of 5.23 per cent., the price being 97.13. The bonds are a two-year issue.

Mattagami Assets Will Meet Bondholders' Claims

Sale of the assets of the Mattagami Pulp Co. will be proceeded with at once, and, according to present indications, the returns will be sufficient to more than meet the first mortgage bond holders' claim, both with regard to principal and interest. This is the encouraging announcement made this week by the National Trust Co., trustees for the holders of the six per cent., 21-year first mortgage bonds of the company.

In a circular letter sent out to the first mortgage bondholders, the trust company indicates that a general meeting of the bondholders will not be necessary. It states that a meeting of the debenture stockholders whose claims are subordinate to those of the first mortgage holders is being called shortly to authorize the Montreal Trust Co., which is that trustee in the case, "to purchase at a judicial sale the properties of the Mattagami Co. on terms which will provide for payment in full and in cash, of the first mortgage bondholders' claims, both principal and interest." The letter states in conclusion that "information has reached us which we think justifies the belief that the properties of the Mattagami Co. are worth more than sufficient to pay in cash, the first mortgage bondholders' total claim, both principal and interest."

Merger of Chicoutimi and Saguenay Ratified

MONTREAL. — This week the bondholders, shareholders and creditors of Saguenay Pulp and Power Co., and the Chicoutimi Pulp Company were to meet at separate meetings and ratify the reorganization plan which takes in both companies, but the meeting was postponed until July 10.

The new company, to be known as the Quebec Pulp and Paper Mills, can carry on operations with the working capital now on hand. No new financing will be needed at the present time.

The balance sheet of the amalgamated companies will show current assets of $1,368,877 and current liabilities of $1,438,464. The surplus will stand at $1,140,261. These figures apply to the financial standing of the component companies as at the end of December last, as drawn up and submitted by the auditors to those who have worked out the merger.

It was announced this week that the interest coupons in the case of the Saguenay 6½ per cent. bonds, and the Chicoutimi 6 per cent. bonds, payable July 1, should be forwarded to the Crown Trust Company in the case of the former and the Royal Trust Company for the latter, rather than to the banks. Receipt will be acknowledged and interest paid as soon as the plan is ratified.

PRAIRIE BOND ISSUE

An issue of $10,000,000 twenty year bonds of the three prairie provinces will be sold in New York some time during the summer. Under the federal government's rural credit scheme, Ottawa will advance cash to the provinces on their bonds which will be then sold in the United States markets.

EXCHANGE FIRM PARTNER

MONTREAL.—C. Bancroft Fraser has been admitted to partnership in the stock broking firm of Burnett & Co. Mr. Fraser has been with the firm for a number of years. In addition to Mr. Fraser, the firm now consists of G. H. Smithers, G. W. S. Henderson and A. L. S. Mills.

DRASTIC REDUCTION IN CAPITAL ISSUES

Toronto's Bonds to be Sold This Year Will Not Exceed $7,000,000

"New capital requirements for 1925 have been reduced to a minimum," states an extract on 1925 capital requirements from the annual report of Toronto's commissioner of finance on the city's funded debt and sinking fund for the year ending December 31, 1925. "Local improvement commitments to be incurred have been limited to a program of $2,000,000, as compared with $5,000,000 in each of the two preceding years," it continues. "As works of this character take time, and must be completed and the full cost ascertained before being rated against the properties benefited, approximately a year elapses before the cost of the work can be funded. For this reason the 1925 program is not included in the anticipated bond offerings for this year.

"Bonds to be sold in 1925 will not exceed, in the aggregate, $7,000,000," it goes on. "This represents the smallest offering made since 1920, and approximately only one-third of the average yearly sales for the past four years. The fact that in 1925 $9,146,000 of debt will mature and be redeemed makes this showing even more creditable.

"The estimates for 1925, as passed by council, authorize the following capital issues:

General—	
Highways	$2,506,812
Miscellaneous, municipal	956,000
Local Improvements (City's share)	752,841
Schools	559,309
Waterfront improvements	451,617
	$5,226,579
Revenue-Producing—	
Local improve. (ratepay. share)	2,088,127
Waterworks	54,797
	2,142.924
	$7,369,503

NEW INVESTMENT HOUSE

Withdrawing from the firm of F. H. Deacon & Co., Toronto, John C. Fraser and Russel G. Dingman have formed a partnership, under the firm name of Fraser, Dingman & Co., to do a general investment business. E. C. Reade, for the past sixteen years associated with the Deacon Company, has been admitted to partnership and T. G. Drew-Brook has been made manager of the company's bond department.

UNLISTED BONDS
(Montreal Stock Exchange)

	Bid	Asked
Abitibi 6% 1940	101	102
Alabama 5% 1962	93	93½
Algoma Steel 5% 1962	..	31
Belding 5% 1936	85	..
Belgo Can. Paper 6% 1943	100¼	..
Brand-Henderson 6% 1939	90	..
Burns, P. & Co. 6½% 1943	100⅛	102⅜
Can. National Rly. 5% 1954	100⅛	101½
Calgary Brewing 5% 1942	83½	..
Can. Steamship Lines 7% 1942	99½	100
Can. Light & Power 5% 1949	..	55
Can. Pacific Rly. 5% 1934	99⅛	100½
Can. Steel Foundries 6% 1936	..	..
Dom. Iron 5% 1939	..	..
Dom. Power 5% 1932	96⅛	..
Dom. Textile 6% 1949	105½	..
East Koot. Power 7% 1942	101	102
Frontenac Brewing 6% 1951	..	..
H. Smith Paper 6% 1934	99	..
Lake Sup. Paper 6% 1941	105	..
Laurentide Power 5% 1946	99½	..
Laurentian Power 6% 1936	99½	..
Maple Leaf Milling 6½% 1943	104	..
Man. Power 7% 1941	103¼	104
Mattagami 7% 1949	..	..
Montreal Steel Works 6% 1940	100	..
Prov. of Ontario 5% 1948	100⅞	101⅞
Nor. Ont. Power 6½% 1931	98¾	99½
Ontario Pulp 6% 1931	106	..
Price Bros. 6% 1943	100	100⅜
Quebec Power 6% 1953	102¼	102¾
Shaw. Cotton 6% 1949	..	85
South Canada Power 6% 1948	103½	..
Spanish River 8% 1941	107	107½
St. Maurice Power 6½% 1953	108¼	109¼
West Koot. Power 6% 1943	102¼	..
West Power 5% 1949	93	..

BOND MOVEMENTS OF THE WEEK
WEEK ENDING JUNE 29

BONDS	Int. Rate	Due Year	Yield June 27	Range 1924 High	Range 1924 Low	Range 1925 High	Range 1925 Low	Latest Price Ask	Latest Price Bid	Latest Price High	Latest Price Low
C. C. Rubber	6	1946	6.00	102⅜	98¾	100⅝	95	100¼	—	100¼	100
Dom. Coal	5	1940	6.07	89¼	86	89½	86	—	89⅛	89½	—
Que. Rly.	5	1939	5.57	91	80	94½	89¼	94½	94	94½	94
Steel of Can.	6	1940	5.45	103½	103	105⅝	104	105¾	105½	105⅝	—
Wayagamack	6	1951	7.10	86	74	87¾	84¼	—	87½	87½	87
Win. Elec.	5	1935	5.59	91½	85¼	95½	92½	95½	94⅜	95½	—
War Loan	5	9125	4.00	100.95	100.15	101.15	100.25	100.30	100.00	100.25	99.95
Do.	5	1931	4.61	102.40	100.60	102.65	101.00	102.55	102.20	102.35	102.10
Do.	5	1937	4.51	103.85	102.60	104.95	103.80	104.90	104.60	104.85	104.50
Victory Loan	5½	1927	4.18	103.05	102.05	103.15	102.15	102.50	102.25	102.60	102.50
Do.	5½	1933	4.52	100.70	104.30	107.00	105.90	106.50	106.25	106.50	106.30
Do.	5½	1934	4.94	104.70	102.85	104.75	103.20	104.20	103.95	104.35	104.00
Do.	5½	1937	4.46	108.90	106.15	110.00	108.45	109.55	109.20	109.65	109.25
Do. Renewal	5½	1927	4.70	102.70	101.15	102.95	101.50	101.90	101.60	101.80	101.40
Do.	5½	1932	4.96	103.90	102.10	104.20	103.10	103.60	103.30	103.55	103.4
Do. Refund	5	1928	4.46	100.85	99.40	101.35	100.45	100.95	100.60	101.75	100.65
Do. "	5	1943	4.79	102.85	99.00	102.90	101.20	102.70	102.35	102.55	102.25
Do. "	4½	1944	4.74	97.15	97.00	97.35	95.10	97.15	96.80	97.20	97.10

OUTLOOK UNCERTAIN FOR L. AND P. BONDS

Not Announced Whether Control of Company Will Pass to Bondholders

From Our Own Correspondent.

MONTREAL.—It is hard at the present time to state definitely what will be the outcome for the bond holders of the Canadian Light and Power Company, which has failed to meet its bond interest due on July 1.

There are outstanding $6,500,000 of the bonds and about one-third of these are owned by the United Securities Company, the subsidiary of Shawinigan Water and Power Company and Montreal Power Consolidated. The United Securities, through its acquisition of the Quebec-New England Hydro Electric Corporation, owns practically all the stock in the Canadian Light and Power Company. Recently capitalization of the latter company was reduced by ninety per cent.

The bonds are now selling at around 44; indications point to the fact that the bondholders will eventually receive say 50c. on the dollar, though a lot depends on the action of those who are in control of the company and the reorganization plan which they will propose.

It is said that the bonds issued amount to even over $300 per horsepower on the development at St. Timothee, some 25 miles from Montreal. In working out the future for the bondholders it is to be remembered that foreclosure proceedings, under the terms of the trust deed, can not be commenced until six months after default of the interest payment. Should the mortgage be foreclosed, the United Securities would lose its stock interest, but it would retain about a one-third interest in the development through its ownership of approximately $1,700,000 of the bonds.

As yet, those in control of United Securities have made no announcement as to whether they will allow the property to go completely into the hands of the bondholders; one school of thought here is of the opinion that in order to retain a larger percentage of ownership in the plant, the United Securities will place before the bondholders some form of reorganization plan which will prove acceptable to them.

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While You Are Young
A permanent income at forty is a goal worth striving for and well within the reach of most men.
You may build up a reserve of sound bonds, that will yield you an increasing income each year, through our systematic method of saving by the Partial Payment Plan.
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Members Montreal Stock Exchange Toronto Stock Exchange

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GOVERNMENT AND MUNICIPAL BONDS
McKinnon Bldg. TORONTO.
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A Five Year Mortgage to Yield 6.60%
Wayagamack Pulp & Paper Co., Ltd.
Net assets of $9,971,032 to secure issue of $1,500,000.
Earnings for past 7 years average over 6 times interest requirements of this issue.
Descriptive circular on request.
Matthews & Company Limited, Bond Dealers,
255 Bay Street, Toronto

MACKAY - MACKAY
306-7-8 C.P.R. Building, Toronto, Ontario
Government and Municipal Bonds in Ontario, Quebec, New Brunswick Nova Scotia

Wayagamack
Five-Year 6½'s
Wayagamack Pulp and Paper Company have been operating since 1910. Their Kraft products are known throughout the world as the standard of quality.
The addition of a newsprint paper mill, now being erected on their property under exceptionally favorable conditions, will place Wayagamack in a very prosperous position.
A net estimated surplus of $907,238 will be available for the redemption of these bonds. $4,536,190 to redeem $1,500,000 at maturity.
Price: 99.50 and interest —to yield 6.60%.
Full particulars on request
RENE-T. LECLERC
Incorporated
Montreal:- 168, St. James St.
Quebec:- 74, St. Peter St.
(ESTABLISHED 1901)

The Investor— Published monthly and sent gratis to interested inquirers by
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FOUNDED 1883
Town of North Bay, Ont.
5% Serial Debentures
To be dated August 1st, 1925 Maturing August 1st, 1926-1945
Principal and annual interest payable at The Royal Bank of Canada, North Bay, Ont.
Denominations $1,000 and broken amounts as given in table below.
PRICE: 100 and accrued interest, to yield 5%
Full particulars on request.
HANSON BROS.
Investment Securities
320 Bay Street TORONTO — 160 St. James St., MONTREAL — 63 Sparks St. OTTAWA

Municipal and Provincial Finance

HIGHWAYS SYSTEM AS AN INVESTMENT; NOT AN EXPENSE

Roads Yielded Ontario $70,000,000 Last Year From Tourists Alone

According to estimates prepared recently by reliable authorities, more than 20,000 persons enter or leave the City of Toronto daily by way of the four leading motor arteries entering the city, and not including the country roads. This illustrates something of the importance of the motor highway in the economic development of the municipalities of the country. Up to a certain point, the cost of roads is a direct outlay that must be met as an expense and nothing more. When a certain stage of development has been reached, the highway becomes a very definite asset, and brings revenue to the community in the form of business, tourist traffic, and so on. Ontario is a good example of a section which has reached the stage where the investment begins to yield returns.

No other province in Canada and no State of the Union has as high a percentage of its roads, surfaced as Ontario. Of the total road mileage of about 52,000, approximately 58 per cent. is surfaced. The nearest competitor is Indiana, with 52 per cent. of a total of 76,000 actually surfaced. Ohio ranks next with 36,000 out of 84,000 miles surfaced.

Much of the improvement of the road systems of many of the provinces and states is from revenue secured through gasoline tax. Much opposition was offered the introduction of this tax in Ontario despite the fact that before the introduction of this tax, according to statistics prepared by the Highways Branch of the Department of Railways and Canals at Ottawa, Ontario stood lowest among the provinces in respect to the average amount that each vehicle had to pay towards the upkeep of roads. The average receipts per vehicle in Ontario, according to the authority quoted, amounted to $15.35 while the highest was in the case of British Columbia, viz., $29.59. Yet in Ontario, as in most of the provinces, all of the net revenue was used for this purpose after sufficient was deducted for administration.

As a result of expenditure upon highways, Ontario is getting rich rewards from tourist industry. Figures recently compiled by the Highways Branch indicate that out of an estimated revenue of $143,405,900 from tourists last year, Ontario received well over half. In other words, the highways of the province return an annual revenue to the province of more than $70,000,000, and there is every reason to believe that this amount will increase annually. More than 168,000 American motor cars from every state in the Union visited Ontario during 1924, for periods from two days to six months. In addition to the actual money spent by these visitors, the province could not possibly have a better means of advertising its scenic beauties and natural resources.

What is true of Ontario is true of the other provinces. In the improvement and construction of adequate highways, remunerative investment is being made.

The province of Ontario, through the Department of Lands and Forests has constructed so-called "colonization roads" through the northern and north-western sections. These roads are of untold importance in the development and settlement of the vast northland, and are, therefore, an asset to the entire country.

The 1925 road contract involves improvement and construction which will bring into service more than 187 miles of road. All of this is being worked on at present under contract, and the total cost of the work is estimated at $4,000,000.

Municipal Notes

OLD-AGE PENSION CONFERENCE

One of the measures discussed during the closing days of the federal house was the provision of an adequate fund for the old age pensions. The report of the old age pensions committee showed that any such plan undertaken by the federal government would cost some $23,000,000, and it was considered preferable to work out a plan whereby the provinces would co-operate in such a scheme. An interprovincial conference on the matter was urged.

DEBENTURE BY-LAWS PASSED

By-laws authorizing the issue of debentures for $211,000 to provide for the completion of Boulevard Drive between Bathurst and Dufferin Streets, Toronto; for $17,000 to acquire land for that project; and to issue bonds for $1,000,000 on account of the city's share of the cost of the waterfront viaduct, and to provide for the city guarantee on a Harbor Commission bond issue of $2,000,000 were passed by Toronto city council this week.

Tenders and By-laws

TENDERS WANTED

July 4, City of Kingston.—$130,000, ten years, five per cent. bonds.

July 6, City of Guelph.—$160,436, 5 and 5½ per cent., ten and twenty year sinking fund debentures; $74,800, 5½ per cent., 1-15 years, for provincial highways. H. J. B. Leadlay, city clerk.

July 8, County of Grey.—$115,000, twenty years, 5 per cents.

SASKATCHEWAN

Debentures Reported Sold

Dorothy, S.D. No. 4565, $2,500.00, 15 yrs., 6¼ p.c., Cross & Co., Regina.

Exeter No. 298, $10,000.00, 20 yrs., 6 p.c., Cross & Co., Regina.

Prince Edward, No. 4335, $3,000.00, 15 yrs., 6¼ p.c., Cross & Co., Regina.

Willmar. No. 3476, $4,750.00, 15 yrs., 6 pc., Regina Brokerage & Inv. Co.

This Week's Bond Sales

SAINT JOHN ISSUE

The municipality of the city and county of St. John sold a $68,500 issue of twenty year five per cent. bonds to the Eastern Securities Co., of St. John, at 100.61. Other tenders were as follows:

Royal Securities Corp.	100.59
J. M. Robinson and Sons	100.57
Thomas Armstrong and Bell	100.08
H. B. Robinson	100.75

HALIFAX ISSUE

An issue of 496,917 of the city of Halifax was sold to Wood Gundy & Co., at the price quoted. The bonds were 4½ and 5 per cent. alternative. Bids were:

	4½ p.c.	5 p.c.
Wood Gundy	93.053	100.163
Fry Mills, Spence	92.85	100.043
Gairdner, Clark	92.57	99.63
Bell, Gouinlock	92.43	99.90
Neill & Burgess	92.26	.....

RESTIGOUCHE COUNTY BONDS

An issue of $55,000 five per cent., twenty year bonds was sold by Restigouche County, New Brunswick, to McLeod, Young, Weir & Co., at 100.18. Other bids were:

Royal Securities (St. John)	100.10
Eastern securities	100.08
McNeill Graham	99.67
R. A. Daly	99.28
Mackay and Mackay	99.45
C. H. Burgess	99.06
Dyment Anderson	97.50

BELLEVILLE ISSUE

An issue of $119,500 city of Belleville bonds was awarded to Wood, Gundy and Co., at a price of 99.68 to yield 5.03. The following other bids were made:

Fry, Mills, Spence & Co.	99.667
A. E. Ames & Co.	99.63
Bell, Gouinlock	99.60
MacNeill, Graham & Co.	99.58
Municipal Bankers	99.55
Cochran, Hay & Co.	99.55
Dyment, Anderson & Co.	99.53
R. A. Daly & Co.	99.52
C. H. Burgess & Co.	99.43
Matthews & Co.	99.41
Gairdner, Clark & Co.	99.327
Hanson Brso.	99.27
McLeod, Young, Weir & Co.	99.04

VICTORIA ISSUE

Fry, Mills, Spence and Co., and the Canadian Bank of Commerce were the successful bidders for the issue of $525,000 City of Victoria bonds. The price was 97.13 and the yield 5.23, payable in Canada and London. The following other bids were made:

	Payable Canada & London	Payable Canada London & N.Y.
Dom. Secs., A. E. Ames, Wood. Gundy	97.11	97.40
Matthews & Co.	95.92	96.06
Bell, Gouinlock; McLeod, Young, Weir	95.88	.....
Royal Financial Corp., Pemberton & Son, R. P. Clark	.....	97.273
Burgess, C. H. & Co.; Gairdner Clark; British Col. Bond Co.	.....	96.672

PETERBOROUGH OFFERING

An issue of $150,000 bonds of the City of Peterborough was awarded to the Bank of Montreal and the National City Bank, at a price of 100.427 which represents a yield basis of 4.97. The bonds are 5 per cents., and mature in 1927. The bids were:

Fry, Mills, Spence & Co.	100.19
Municipal Bankers	100.11
A. E. Ames	100.09
Harris, McKeen	100.08
Matthews	99.91
Hanson Bros.	99.87
R. M. Bird & Co.	99.87
Bell, Gouinlock	99.80
McLeod, Young, Weir & Co.	99.79
Murray & Co.	99.77
R. A. Daly	99.73
H. R. Bain	99.73
Goss, Forgie & Co.	99.70
Dyment, Anderson & Co.	99.691
Cochran, Hay & Co.	99.687
McNeill, Graham	99.67
Dominion Securities	99.565
C. H. Burgess	99.56
Wood, Gundy	99.53
Gairdner, Clark	99.469
W. C. Brent	99.31
Housser, Wood	99.28
G. H. Stimson	99.01

NEW BRUNSWICK BONDS

The Bank of Montreal, the First National Bank of New York, Kissel, Kinnicutt and Co., Redmond and Company and Brown Brothers and Company were awarded an issue of $882,000, 4¾ per cent., ten year bonds of the Province of New Brunswick.

Tenders were called for a ten year, issue, payable in Canada and New York and also for a twenty year issue payable in Canada only. The province accepted the bid of 99.355 for the ten year issue made by the Bank of Montreal syndicate. The other bids were:

	10 years	20 years
Bk. of Montreal; Nat. City Co.; Hanson Bros.	.....	98.457
The Can. Bk. of Com.	98.87	98.33
J. M. Robinson & Sons; J. C. Mackintosh & Co.; Fry Mills, Spence Co.; Nesbitt Thomson & Co.	98.867	.....
C. H. Burgess & Co.; Winslow & Winslow; Macneill, Graham & Co.o	98.77	98.93
Dominion Bank	98.58	98.42
A. E. Ames & Co.; Johnston & Ward; Thos. Armstrong & Bell	98.567	97.637
National City Co.	98.567	.....
Harris Forbes & Co.	98.51	.....
Garrity & Co.	98.41	.....
Eastern Sec. Corp.; Wood, Gundy & Co.	98.40	98.20
Gairdner Clarke & Co.	98.372	97.932
Bell, Gouinlock & Co.; Cochran Hay, & Co.	98.23	97.35
Lee, Higginson & Co., Ltd.; Kerr, Fleming & Co., Ltd.	98.209	.....
Halsey, Stuart & Co.; Matthews & Co.	98.189	.....
Dillon, Read & Co.; Dom. Securities Corp.	98.063	.....
Royal Secs. Corp.; Matthews & Co., and R. A. Daly & Co.	.....	98.28

WEEKLY RECORD OF GOVERNMENT AND MUNICIPAL BOND SALES.

MUNICIPAL

Place	Date	Purpose	—Sold To—	Rate	Maturity	Amount	Price	Yield
New Brunswick	June	....	Bank of Montreal	4¾%	1935	$882,000	99.35	....
Peterborough	June	....	Bank of Montreal	5%	1927	150,000	100.427	4.97
Belleville	June	....	Wood, Gundy	5%	Serial	119,500	99.68	5.03
Victoria	June	....	Fry, Mills, Spence & Co.	5%	1927	525,000	97.13	5.23
Saint John	June	....	Eastern Securities	5%	1945	68,500	100.61	....
Restigouche Co.	June	....	McLeod, Young, Weir	5%	1945	55,000	100.18	4.98
Halifax	June	....	Wood, Gundy	4½%	1955	496,917	100.163	....

We offer the unsold portion of

$200,000

Automotive Credit Corporation
LIMITED

6½% SINKING FUND GOLD BONDS

Dated July 1st, 1925 *Due July 1st, 1945*

Denominations: $1,000, $500 and $100.
Principal and semi-annual interest payable in Gold Coin in Toronto or Montreal.
Annual Dividend Bonus Coupons attached to the Bonds.
Bonds may be registered as to principal.

This issue forms a first charge upon the present and future assets and net earnings of the Automotive Credit Corporation, Limited, a Company formed to take over and expand the business of the Guaranty Acceptance, Limited, located at Toronto and Montreal. Over a period of two and one-half years' operations the Guaranty Acceptance, Limited, shows net earnings, after paying all expenses, exclusive of bank interest, of 14% per annum, and at the time of taking over shows assets in excess of liabilities amounting to $50,000. For these surplus assets the Shareholders of the Guaranty Acceptance, Limited, receive shares in the new Company ranking secondary in every respect to the bonds of this issue.

ASSETS INSURED AGAINST LOSS

The new Company will carry on and expand under the same management the successful business of the Guaranty Acceptance, Limited, buying up Automobile Purchaser's time payment contracts, which form a first lien upon the vehicle. In addition to the cars being fully insured against loss by fire, theft or other cause, the contracts are insured with one of the oldest and strongest British Insurance Companies against the purchaser's inability to meet his payments.

DIVIDEND BONUS COUPONS

After providing, from the net earnings, for bond interest and a sinking fund of 2½% per annum, the Company will annually declare a dividend payable to the Bondholders upon surrender of the bonus coupons attached to the bonds of this issue as they severally become due. On the basis of past performances this dividend should not be less than 3% annually.

Price: 99.50 and Interest, Yielding 6.55%, Plus Bonus Coupons

Automotive Credit Sales Corporation
LIMITED
1319 METROPOLITAN BUILDING - - TORONTO

QUEBEC SOUTHERN POWER

6½% BONDS

Due May 1st, 1945

This Corporation serves light and power to 30 municipalities in the Laurentian district under generally exclusive franchises. The territory served has an area of 3000 square miles, is prosperous, and has a present population of approximately 60,000 which is showing steady increase.
We recommend these bonds for investment and will forward descriptive circular upon request.

Price: 100 and interest to yield 6½%. Bonus of two shares of common stock with each $1,000 bond.

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We will be glad to furnish particulars and offerings upon request.

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The safe investment of your funds is our chief concern.

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Canada Permanent Bldg., St. John, N.B.
S. Allan Thomas. Donald W. Armstrong. T. Moffett Bell.

NATIONAL CEMENT COMPANY

7% First Mortgage Bonds

• • • •

Denominations: $100, $500 and $1,000

Interest May 1st and November 1st

• • • •

Bonus in Common Stock

Write for "OUR TEN REASONS FOR RECOMMENDING THIS INVESTMENT"

CREDIT-CANADA
Limitee
Investment Bankers
ESTABLISHED 1910
120 St. James St., Montreal

BONDS YIELDING 5.20 to 6.50%

	Due	Date	Rate	Price	Yield
$2,000 Town of Sudbury, Ontario	Feb.,	1931	6%	104.03	5.20%
$3,000 Town of Sudbury, Ontario	June,	1934	6%	106.11	5.20%
10 x $486 Can. Nat'l. Ry., G.T.P.	Apr.,	1955	4%	80.00	5.35%
$3,000 Town of Timmins, Ontario	Nov.,	1925	7%	100.50	6.50%
$2,000 Town of Timmins, Ontario	Nov.,	1926	7%	100.91	6.50%
$6,500 Minn. & Ontario Paper Co.	Apr.,	1945	6%	98.00	6.18%
$4,500 Milton Brick Limited	Apr.,	1940	6½%	100.00	6.50%
$5,000 Prov. of Ontario Succession Duty Free, Price on Application.					

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260 St. James Street, MONTREAL, MAIN 8542

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120 St. James Street, Montreal

Minnesota & Ontario Paper Company

6%

First Mortgage Sinking Fund Gold Bonds

Dated April 1st, 1925
Due - April 1st, 1945

Denominations: $1000, $500, $100

Price: 98 and interest to yield approximately 6.18%

McDonagh, Somers & Co.
Dominion Bank Building
TORONTO - - ONTARIO

ACME
Tables of Bond Values

Points of superiority. Show yields 2 to 10%. Progressions .05 and eighths. Maturities 6 mos. to 100 years. Correct to nearest cent on $1,000,000. (Values carried to 6 decimals.)
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The wise selection of bonds will often result in a yield that is higher than might have been expected by the investor lacking wide experience with current investment conditions. We will gladly assist you to secure such returns. Our experience is at your disposal.

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LIMITED
34 King Street, East, Toronto

BURNETT PORTEOUS & COMPANY
Members Montreal Stock Exchange
17 St. John St.
MONTREAL

Insurance for Buyer and Seller

SAFEGUARDING THE WIDOW FROM FAKE PROMOTERS

Monthly Payment Plan to Insure That Insurance Insures

Widows and other beneficiaries under life insurance policies are frequently made targets for the wiles of salesmen of scrub stock—"scrub" is an apt description of a certain type of securites as it is of certain types of animals. And all too often the proceeds of an insurance program carefully designed to adequately take care of those who are left dependent are dissipated in some weird speculation or placed in a proposition that has no other foundation than the personal benefits of the promoter.

The question arises then as to whether the head of a family does his full duty by those who are dependent on him, and may be dependent on his insurance, when he takes out a policy. More and more it is being realized that a further step is necessary—a step to insure that the proceeds of the insurance are safeguarded for the purpose for which they are intended.

There are a number of ways in which the insured can take precautionary steps to safeguard the estate. A will can be made appointing executors or a trust company to deal with the funds available in the interests of the beneficiaries or definite instructions can be left as to the investment of the funds in an annuity or in specified securities. But a simple method, being more and more widely adopted, is to arrange the insurance policy so that the proceeds will not be paid in a lump sum but will be paid as a life annuity over a certain number of years as may be specified.

The following objections to the lump sum policy are outlined in a booklet issued by the Ontario Equitable:

1.—Experience proves that beneficiaries who receive substantial amounts of money are tempted to, and do, spend much of it foolishly. The insurance money intended as a protection for the family is spent unprofitably in many cases.

2.—The average woman should not be presumed to be an expert in investment matters. Women to whom insurance money is paid are harried by advice from relatives, neighbors or unscrupulous investment agents of many descriptions, to invest in various schemes. Most of such invested money is lost.

3.—When the woman is directed by will or otherwise how to invest the insurance proceeds, a worry and responsibility is placed on her, which is both unfair and unnecessary.

4.—When a lawyer, relative or friend is made executor of the will, there will still remain worry for the beneficiary. Executors may die, they may not carry out their instructions competently. And as far as the insurance portion of an estate is concerned it can be arranged to provide a regular income, without deductions for costs of administration or concern over the nature of the investment.

5.—Insurance proceeds payable in one sum become an object of litigation. There is hardly an arrangement that can be made by will, through a trust company, or otherwise, that cannot be modified, broken or set aside.

Monthly Income Plan

Some of the advantages of a monthly income policy or other definite arrangements for distributing the insurance funds are given:

1.—The monthly income to the beneficiary is guaranteed. The company's capital and surplus are behind it. Any ordinary investment is subject to shrinkage and disappearance.

2.—The income is regular. It is paid once a month. The insured knows that he has provided for his beneficiary for every month of her life.

3.—It is payable to the person intended. The insured knows that the person he intends should get the money, will get it. His stipulations must be carried out by the company, and nobody can set them aside.

4.—The beneficiary is relieved of all worry of collecting or investing. There will be no charges or deductions from the amounts payable.

5.—The arrangement is flexible. If the beneficiary dies, the insured appoints another beneficiary, or, the policy may originally be written so that in the event of the death of the first beneficiary payments will be made to a second named beneficiary.

6.—It enables the insured to make a definite provision for all. He can provide an income for his wife, mother or children, in separate policies.

7.—If it is an endowment policy, the insured may use it to provide a monthly life income for himself.

It is not difficult to understand the advantages to the family head of a policy which specifies the method of distributing the proceeds if he would insure a regular income for his dependents. And it will frequently be found that when the insured starts to figure the monthly income available from his insurance he will realize that his policies are not adequate and at once he becomes a prospect for additional insurance.

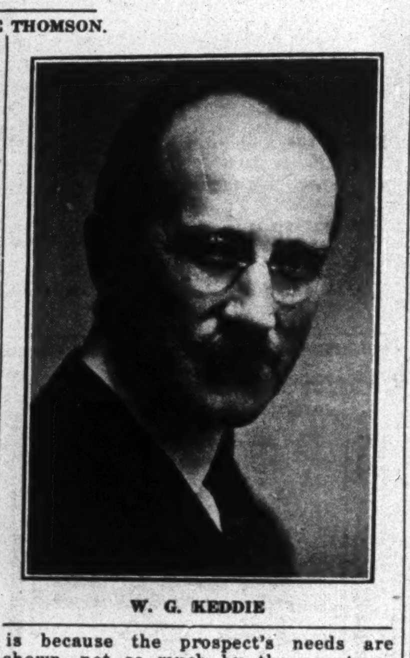
Give Prospect Information and Selling Policy is Easy

That is the Experience of W. G. Keddie, Ottawa Pioneer in Specialized Life Policies—Insurance For Succession Dues When Assets Not Available

By RIELLE THOMSON.

Some seven years ago a life insurance agent in Ottawa had a prospect who was wavering between the purchase of bonds or insurance. The amount involved totalled over $50,000. The agent, after having three interviews, was worried, for it began to look as if the purchase of bonds might win. He returned to his office and there wrote out a brief of the case, showing the advantages of a $50,000 insurance policy rather than the annual purchase of bonds.

He spent two nights working on this brief and finally he reduced it to as small a compass as possible but, at the same time, made sure that all the points of the case were forcibly made. Then the agent spent an hour or two in memorizing the whole thing—it took about fifteen minutes to repeat—until finally he had it word perfect. Then, seizing his hat, he rushed out to the prospect with the story. W. G. Keddie sold his $50,000 policy.



W. G. KEDDIE

A Leader in Ottawa

Because Keddie's annual sales are among the best in Ottawa and because he is probably the first agent in that city to specialize in estate work, his story is of interest. With regard to his sales achievements, it is to be noted that in conjunction with Rudolph Dunbar, of Toronto, he sold the largest policy ever purchased in Ottawa. It was for $612,000 and carries an annual premium of $42,000.

How does he sell? In the first place, he likes his work and has sold insurance for twenty years. Because he likes his work he naturally works hard and some of his success, while not attained by a struggle against o'erwhelming odds, was achieved at the expense of a considerable amount of midnight oil.

He says that the first step is to inspire confidence; if the prospect has confidence in the salesman, he will eventually purchase.

Many life insurance experts have a system of making a report and index of a prospect's policies which he may file with them. Keddie does this too, but one of the noticeable features of his reports is a special card by which the insured can at a glance tell what the cash surrender value of any one, or all, of his policies will be during any given year.

Started to Sell in 1902

Keddie started selling with the New York Life Company in 1902, then in 1906 he went into the brokerage business in Toronto for three years. It is noticeable that during the three years in which he was out of the business, J. F. Weston, who now heads the Imperial Life but who, at that time, was superintendent of agencies of the Manufacturers Life, kept in touch with him and finally induced him to come to the Manufacturers Life as the manager of the Ottawa office.

In 1916 he became the Ottawa district manager of the Canad Life, the company he still represents. Within recent months, Keddie saw and seized the opportunities which await the insurance man who specializes in the field of estate and succession duty insurance. In taking over this specialized end of insurance, he relinquished his position as manager of the Ottawa district.

To the selling of this special type, he has devoted much study, which in many cases has resulted in saving money for his clients' estates. One of the things which men know, but which few act upon, until it is forcibly pointed out, says Keddie, is the fact that frozen assets will not pay succession duties. This brings us to a printed form which he designed and finds of value. This form is divided in half. The left hand side shows the total and itemized annual receipts of the prospect, one column when alive, the other what the estate's annual income will be. Beside this is placed, in a similar layout, the annual disbursements which will be required, both by himself, and later, by his family.

Second Half of Form

The other half of the form shows the itemized assets under three heads, inactive, business and liquid. Placed beside the assets is an itemized list of liabilities, which will have to be met within a year and a half after death. As well as including such usual items as winding-up, funeral and sickness expenses, this column has a place for loans from banks, individuals and on insurance policies. Also unpaid mortgages and stocks are noted together with shrinkage of assets due to death, new management and market conditions.

If once the prospect completes one of these forms Keddie says that, as a rule, not much more selling is required. This is because the prospect's needs are shown, not so much by the agent, as actually by himself. This brings us back to the beginning of this story; the need of the prospect's confidence in Keddie is necessary before the client will unfold his financial position. This prospect will admit that he needs the insurance only if he has confidence in the agent.

Confidence Only Will Sell

Keddie stresses the need for this feeling of confidence; in fact, he makes it a practice never to make a canvass in his first call; all he does is to tell his story, showing what he has accomplished for others who needed insurance. Then he waits for the prospects action. Will they come? I don't know, but they've certainly come in the past.

"I find that the only way to sell," he says, "is to give the prospect information which will be of value and of use to him—if I can not do this, why I can not sell the policy." This probably explains why so many of Keddie's clients call at his office and there discuss with him the pros and cons of insuring against succession duties and shrinkage of estates.

Canada Life Launches Anti-Accident Campaign

In keeping with the modern idea in insurance that "prevention" is better than "cure," and that insurance companies can co-operate in educational campaigns to lengthen life, prevent accidents, etc., the Canada Life Assurance Company is inaugurating a poster service to secure the appreciation of employees in the company's group insurance protection, and their co-operation in the furthering of "Safety First" and "Accident Prevention."

The posters are effectively illustrated and bear such compelling captions as "Don't Gamble With Your Eyes," "Your Caution or Your Life," "You Take a Chance and Your Fellow Workman May Have to Take the Consequences," and "If You Have Too Many Fingers Wear Gloves Around Machinery. You'll Probably Lose Them." They contain striking and convincing arguments to arouse caution on the part of workers in protecting themselves and their fellows from the more common causes of accidents.

The Record of Fire Losses in Canada

Place — Property	Date	Loss	Insurance	Cause
New Brunswick				
Le Madawaska—A. Malenfant, res.	June 11	consider'ble	covered	......
Baie Verte—B. Goodwin, store & wareh'se	June 15	total	small	......
Ontario				
Markdale—A. Heslop, res.	June 14	total	.. ..	unknown
Burlington—A. Sheppard, barn	June 13	total	.. ...	unknown
Harwick Twp.—L. Huffman, barn	June 12	10,000	6,015	unknown
Chesterville—T. Dillaough, barns	June 12	6,000	4,500	lightning
Kingsville—Drummond House	June 17	heavy	......	gasoline stove
Harley—Mr. Shellington, barns	June 16	total	......	unknown
Gananoque—Cheese factory	June 24	10,000	6,000	unknown
New Dundee—Howling Garage	June 17	total	......	gasoline
Harrow—Commercial Hotel	June 18	15,000	partial	oil stove
Kingston—General Hospital	June 18	heavy	covered	unknown
Exeter—F. Geiger, storehouse	June 22	6.000	......	unknown
Forest—M. Truner, res. & cont.	June 25	700	partial	elec. toaster
Oshawa—G. Miller, barn	June 16	consider'ble	......	unknown
Quebec				
Buckingham—M. Butter, res.	June 12	3,000	covered	unknown
Montreal—Vimy Apts.	June 21	heavy	......	unknown
Quebec—N. Rondeau, shop	June 22	1,000	......	furnace
Lac Frontiere—Welcome Mill	June 17	heavy	......	unknown
Quebec—Pelletier & Rousseau, res.	June 23	......	none	o'heated stove
Alberta				
Calgary—Mrs. A. D. Papazina & O. Harris res.	June 16	total	partial	unknown

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PRUDENTIAL TRUST COMPANY
LIMITED
Trustees, Executors, Administrators, Real Estate and Insurance, Safety Deposit Vaults.
J. P. STEEDMAN, Chairman of the Board
B. HAL. BROWN, President and General Manager
HEAD OFFICE PRUDENTIAL TRUST BLDG., Montreal
TORONTO OFFICE Reford Bldg., 217 Bay St.
Branches throughout Canada and in London, Eng.

Insurance OF ALL KINDS TRANSACTED
The Provident
ESTABLISHED 1905
Head Office: THE PROVIDENT BUILDING
Corner Place d'Armes & St. James St.
MONTREAL
Tel. HArbour 3292-3-4-5-6-7

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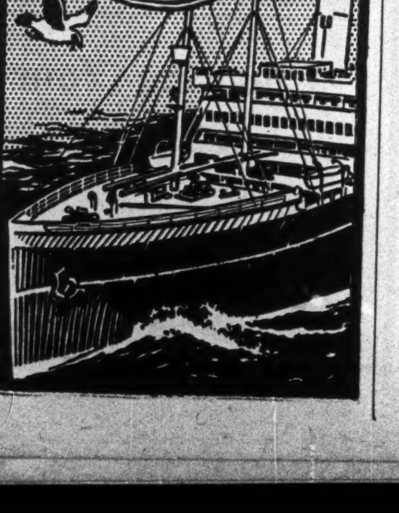
Canadian Pacific steamships make frequent sailings from Montreal and Quebec to Europe. Only four days open sea. Book reservations now.
Ask your local agent, J. E. PARKER, General Agent, Ocean Traffic, Canadian Pacific Bldg., Toronto, Ont.
CANADIAN PACIFIC



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Our direct private wire connections enable us to offer prompt and efficient service in the execution of orders on The New York Stock Exchange, The Chicago Board of Trade and Winnipeg Grain Exchange.
Splendid Board Room and Ticker Service—Conveniently Located on the Main Rotunda Floor, King Edward Hotel. Toronto.
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to Estates being administered by it
PAID UP CAPITAL AND RESERVE $1,259,430.36
The Imperial Canadian Trust Co.
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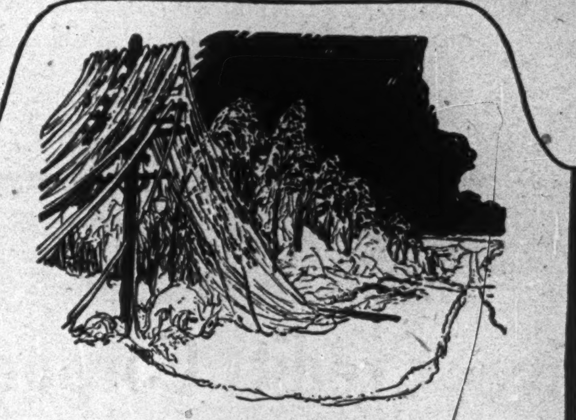
Head Office, Winnipeg.
Branches: Saskatoon, Regina, Edmonton, Calgary, Vancouver, and Victoria.

THE CANADA NATIONAL FIRE INSURANCE COMPANY
HEAD OFFICE: WINNIPEG, CANADA
TOTAL ASSETS $2,928,337.62
TORONTO, 24 Adelaide St. W.
W. H. GEORGE
Superintendent of Agencies

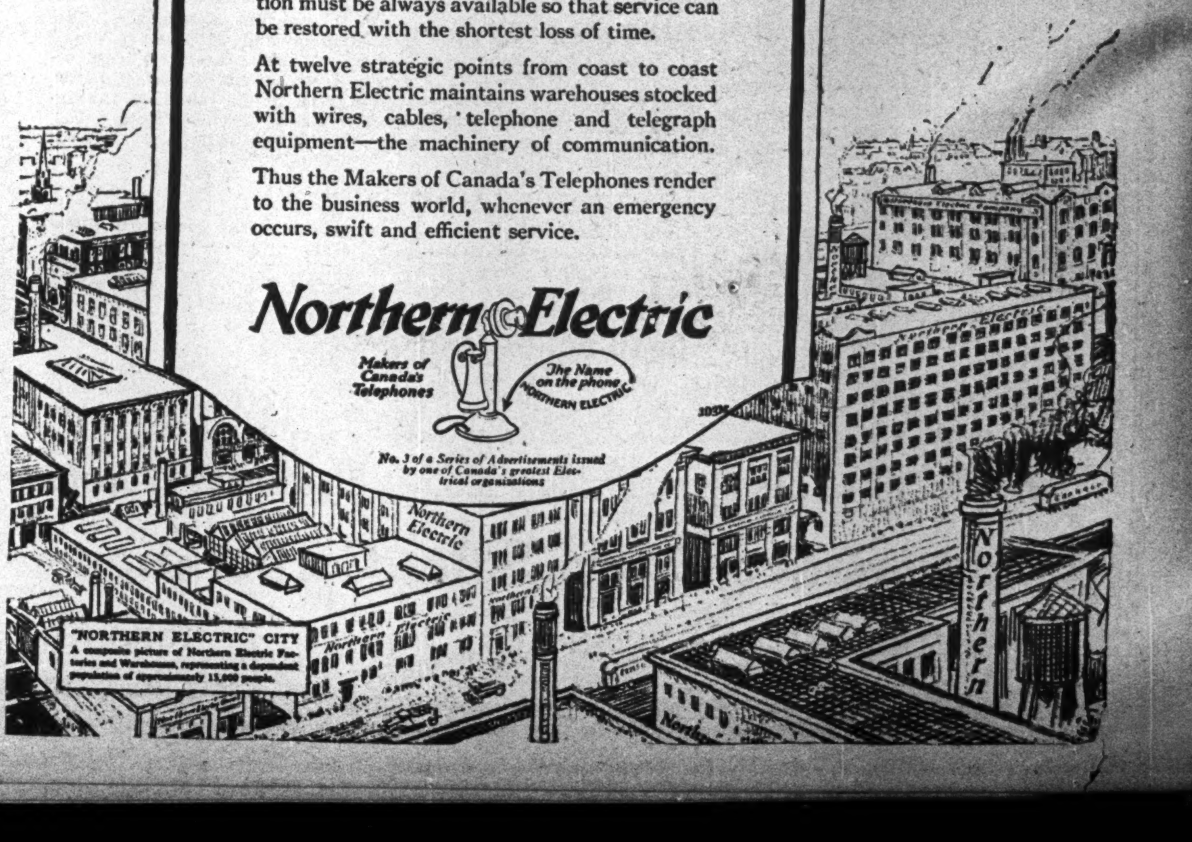
To the Owners of Motor Launches
Stop to think! How easy for your launch to catch fire! A bit of oily waste, accumulated dirt—a flare—and a fine boat burned to the water's edge.
What provision have you made for an accident like this?
You can fully protect yourself and the amount invested in your boat by a policy with this company. Ask us about it.
THE WESTERN ASSURANCE COMPANY OF TORONTO
ESTABLISHED 1851.

The Independent Order of Foresters
Organized 1874
TOTAL BENEFITS
Paid to Members and their Beneficiaries
$81,000,000.00
Policies Issued from $1,000 to $5,000
G. E. BAILEY, Secretary — W. H. HUNTER, President — G. R. COTTRELLE, Treasurer

Protection with Profit
Every Month For Twenty Years
Previous to his death only two premiums (total $247.80) were paid by policyholder 197166. The policy guaranteed a monthly income of $20.00 for 20 years, but, due to its exceptional interest earnings, this Company is now paying to the beneficiaries $24.30 per month and will continue at this rate during the life of the contract so long as there is no material change in the net interest earnings of the Company.
This is 21½ per cent in excess of our guarantee.
The Great-West Life Assurance Company
Head Office — Winnipeg
22



When the lines are down
BROKEN telephone and telegraph wires tie up industry. Every moment the lines are down costs the country thousands upon thousands of dollars.
Speedy repairs are vital. Material for reconstruction must be always available so that service can be restored with the shortest loss of time.
At twelve strategic points from coast to coast Northern Electric maintains warehouses stocked with wires, cables, telephone and telegraph equipment—the machinery of communication.
Thus the Makers of Canada's Telephones render to the business world, whenever an emergency occurs, swift and efficient service.
Northern Electric
Makers of Canada's Telephones
The Name on the phone NORTHERN ELECTRIC
No. 3 of a Series of Advertisements issued by one of Canada's greatest Electrical organizations
Our Service to You
Northern Electric serves you not from one city, but from twelve. Wherever you may be, your demands for electrical products are met with promptness by one of the twelve Northern Electric branch warehouses.



SPECULATING ON IMPERIAL OIL'S CHANCE IN WEST

Considerable Stock Being Picked Up Because of Royalite Well

From Our Own Correspondent.

CALGARY.—Leading lights in the oil world have recently visited the oil fields here and have given the general public some good advice. These men included W. C. Teagle, president of the Standard Oil Company, of New Jersey, and C. O. Stillman, president of the Imperial Oil Ltd.

"There is no intent on our part to dampen the faith of those who would spend their money in oil exploration," said Mr. Stillman. "All that I want to point out is that it is a hazardous venture at the best, and those who are putting money into it should be sure first of all that it is money they can afford to lose."

He said he was not a pessimist; on the contrary he pointed to the vast sums that have been invested by the Imperial Oil exploration in Alberta. No. 4 Royalite well, he said, is a good gasoline well. Its performance, however, geologists were still at a loss to explain.

Quite a little speculative buying of Imperial Oil on the part of Westerners is reported going on. The success of the Royalite oil well and the fact that the company controls the bulk of the acreage in Turner Valley field and is drilling others, is back of this interest. For a number of years this company, about 81 per cent. owned by Standard Oil of New Jersey, has been spending around $1,000,000 per annum exploring for oil on 465,000 acres of leases and concessions owned in Alberta, North Western Territory and Saskatchewan. Last fall Royalite No. 4 well brought in a flow of 1,500,000 cubic feet of gas and high-grade crude. It is planned to develop the surrounding leases for the purpose of providing a crude supply for the new Calgary refinery, which has a capacity of 4,500 barrels a day and which now is operating on Montana and Wyoming crude. The company also is drilling a test well in the Rice Lake field at Willow Creek, and at Fort Norman will complete the Discovery No. 2 well. In the Coal Spur field, west of Edmonton, drilling is being resumed on a well which is now down 3,150 feet and which has struck oil on five horizons. Drilling is also going on at Dead Horse Coulee.

A Domestic Supply

These operations are important since they have passed the primary stages of exploration, and since they hold the development of a domestic crude oil supply. Heretofore, Imperial has supplied Canada's oil trade through imports from Peru, Colombia and United States. The company has a controlling interest in International Petroleum, Ltd., which has production on both sides of the South American Continent, and which is the main source of crude supply for the refinery at Vancouver and a supplementary source for refineries operating at Halifax and Montreal. The Montreal and Halifax plants also obtain oil from United States and Mexico. Refineries at Regina and Calgary operate on Montana and Wyoming Crude and the main plant at Sarnia is connected with the main mid-Continent pipe line system through Imperial's own pipe line.

The company's refineries have a daily capacity of 60,000 barrels. No statement of earnings is published, but when the $25 par value stock was split up four for one last year the dividend rate on the new shares was made $1 per annum against $3 a share on the old, thus indicating that earnings and financial position warranted a 33 1/3 per cent. increase in the rate of cash distributions to stockholders.

There are about 6,336,836 shares of Imperial Oil, Ltd., issued. Of this number Standard Oil of New Jersey owns around 5,133,000 shares, leaving about 1,204,000 shares in the hands of the public.

LAND SALES BETTER AND PRICES HIGHER

Calgary-Edmonton Land Sees Better Outlook For Farm Lands

Calgary and Edmonton Land Co., controlled in London, Eng., made a profit last year of £3,160 as compared with £593 in 1923. Chairman Earnest Chaplin in discussing the year's experiences said that land agreement collections were better but townsite agreement payments poorer. He hopes for better results this year as purchasers are in a better position. Ordinary land sales aggregated 918.62 acres at an average price of $13.34 per acre, which compares with 487.14 acres at $9.64 per acre for 1923, an appreciable increase both in the area sold and the price realized. As, however, we understand that agricultural conditions in Western Canada are now much better than they have been for the past few years, and that there is a more satisfactory margin between the sale price of farm products and cost of their production, we hope this will have the effect of bringing about an increased demand for our lands and at remunerative prices. What appears to be a very successful gas well has recently been struck in the Okotoks district, situated some 40 miles south-west of Calgary. The well is in close vicinity to our lands, and it is hoped it will have the effect of increasing the value of minerals in the district. The Imperial Oil Company are still pursuing their drilling investigations on our property, under the arrangement entered into with them, and it will probably interest you to hear that at the moment they have under consideration the question of taking a definite lease of about 5,000 acres of our lands. The Imperial Oil Company's operations are naturally being followed with very close attention, as you will appreciate that the finding of oil in paying quantities either on or near our lands could not fail to have very far-reaching benefits for our shareholders.

HE HAD LEARNED TO STEAL

A Detroit man quit the police force and got a job in a department store. Watching crooks for years, he had learned the trick and in six months robbed his employers of $20,000 in merchandise. On $22.50 a week in salary, he was maintaining a city apartment and a summer home.

POST-Scripts

A TORONTO business man took up riding in order to be with his boys. He did not buy a horse for himself but decided until he got a bit used to being on horseback to patronize a rental stable. In the meantime he priced a few ponies and was greatly taken with one fine mare for which the stable keeper wanted a certain price.

After a few weeks the business man decided that he might buy the mare and while in the stable one day decided to talk terms. The stable man asked two hundred more for the animal.

"What?" exclaimed the buyer. "That horse isn't worth any more to-day than before."

"Maybe not" admitted the stableman. "But she's worth more to me. She's been in the show and won a couple of prizes. And moreover I've learned something about her. She's quick and willing to learn any new tricks I want to teach her. A mare that's ready to learn is worth a lot."

It set that business man thinking. He wished he had more men in his business like that mare; men who were willing and able to learn new tricks. He agreed that they, like the mare, would be worth more money than ordinary men.

* * *

THE story now going the rounds is that it was merely a "rag" by Oxford students that started the balloon trousers and the "Oxford bags" on their way to popularity. The far-famed Oxford balloon trousers were conceived in the fertile mind of an undergraduate as a "rag" and with due solemnity the leaders of fashion at the ancient English university seat gradually increased the dimensions of their nether garments until they reached the proportions of skirts. Young men who ape Oxford fashions "fell for" the innovation and it spread across England, jumped the Atlantic and ran like wildfire through the youth of the United States.

An indication of how seriously England took the fashion is found in tailors' advertisements quoting prices on the balloon garment. The craze was honored by receiving treatment in Punch, a cartoon showing two burly bluejackets leaning over the rail of a battleship wearing skin-tight trousers instead of the traditional "bell-bottoms" of the senior service. The cartoon was called "Retaliation."

Now comes news from England that it has been a "rag." The Oxford students are dropping the fashion and in other circles public ridicule is doing the work.

But while it lasted the craze showed the influence of novelty as a business stimulant.

* * *

A BUSINESS man remarked the other day "More conventions are spoiled by the lack of charts and pictures than in any other way." He referred to the address of a speaker at a convention he had just attended. The speaker tried to illustrate trends in market price of a certain commodity verbally. His hearers simply could not grasp what he was telling them.

Recently, Hance Logan, M. P., spoke at the Export Club at Toronto. He read from a prepared statement columns of figures on Canada's trade with each of the countries in the British West Indies compared with the trade of United States with those countries. The figures may have been very illuminating but merely proved boring to those who listened to them. Had Mr. Logan prepared a huge chart showing the figures themselves or indicating them by black bars or lines he would have had a magnetic attraction for his listeners.

Even at annual meetings the lack of visualization of ideas is felt. At a meeting of a big mining company in Toronto a short time ago the general manager tried to tell the shareholders in simple language about the drift of the ore vein on the property and the reason the company was having difficulties. Few of the shareholders understood him. Had he a blackboard on which he could have sketched a few lines to illustrate his topic his shareholders would at least have gotten a grasp of the message he had for them.

* * *

TIE up your advertising with local events, say advertising specialists, and you are sure of maximum interest and results. Recently Minneapolis and vicinity were visited by a violent windstorm which did considerable damage, electric light wires included. Evidently the advertising manager of Lane, Piper & Jaffray, investment securities dealers in Minneapolis was burning the midnight oil, for in the Wednesday morning newspaper appeared a unique timely advertisement from which the following is quoted:

LAST NIGHT
—when the lights went out
and Minneapolis groped its way about the house in frantic search for candles—there came to many an appreciation of the conveniences of modern life.

The temporary absence of electric current upsets our social equilibrium and brings a forceful realization of the indispensability of the products of public utility corporations. Public utilities are today public necessities and necessities are in constant demand. Steady demand gives assurance of stable earning capacity and forms the basis of safety in the following public utility bonds which we own and offer:

Then followed a representative list of public utility bonds. It is easy to imagine the favorable impression this advertisement made on investors at breakfast as they sipped their morning cup of coffee, perhaps made in an electric percolator, or munched at crispy toast made on the electric toaster, says Commercial West. Yes, this is advertising—all that the word implies.

LUMBER MILLS OF B.C. ARE GETTING EXPORT BUSINESS

Believed That Dull Period in Industry is at An End

From Our Own Correspondent

VANCOUVER.—After a protracted period of dullness, British Columbia's export trade in lumber has shown signs of life again and the prospects are for considerable activity during the remaining months of the year. The Egyption government has placed orders for 8,000,000 feet of railroad ties in this market. Australia has ordered 10,000,000 feet of lumber to be delivered during July and August, and there is reason to expect that the British Government will give the sawmills of this province a large share in some lumber purchases to be made in the immediate future.

These orders in themselves are unimportant, for it would not take any one of the larger mills many days to manufacture all the lumber represented by orders mentioned, but as an indication of a turn in the tide they are important. For months British Columbia went with practically not a single order of any consequence from overseas. All the business specified here has been placed during the last two or three weeks, so that if they are to be accepted as characteristic of developments during the next few months the situation is not at all bad.

British Columbia mills, especially the smaller establishments situated on the Fraser river, have been selling large quantities of lumber in the middle western states lately, because the low cost of logs in this province at present enables them to undersell the American coast mills. Log production has been so heavy and the sale of lumber so small in proportion that there has been a surplus of raw timber and consequently low prices. Most of the logging camps will be closed for the summer, however, and the market will have an opportunity of readjusting itself.

Lumbermen believe that the present represents the lull before the boom. They have figures to show that a tremendous potential market exists all over the world because of the delay in construction. When the market asserts itself they will be in the midst of prosperity.

TESTING ALBERTA STRAW

EDMONTON. — John Bache-Wig, inventor of the process for converting straw into paper-pulp, has arrived here for the purpose of conducting experiments to ascertain the commercial value of Alberta straw.

Large Proportion of Crop Was Merchantable

Ninety-five per cent. of Canada's wheat crop in 1924 has proved to be of merchantable quality, according to figures compiled by the Dominion Bureau of Statistics. Of the total estimated crop of last year, viz., 262,097,000 bushels, 250,096,000 bushels came up to the standard as compared with 454,804,000 bushels or 96 per cent. of the 1923 crop of 474,199,000 bushels.

THE MONARCH LIFE
IS A
GOOD COMPANY
Provincial Offices: Toronto, Winnipeg, Regina, Saskatoon, Calgary, Edmonton, Vancouver, Victoria.

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Authorized Trustees and Receivers.
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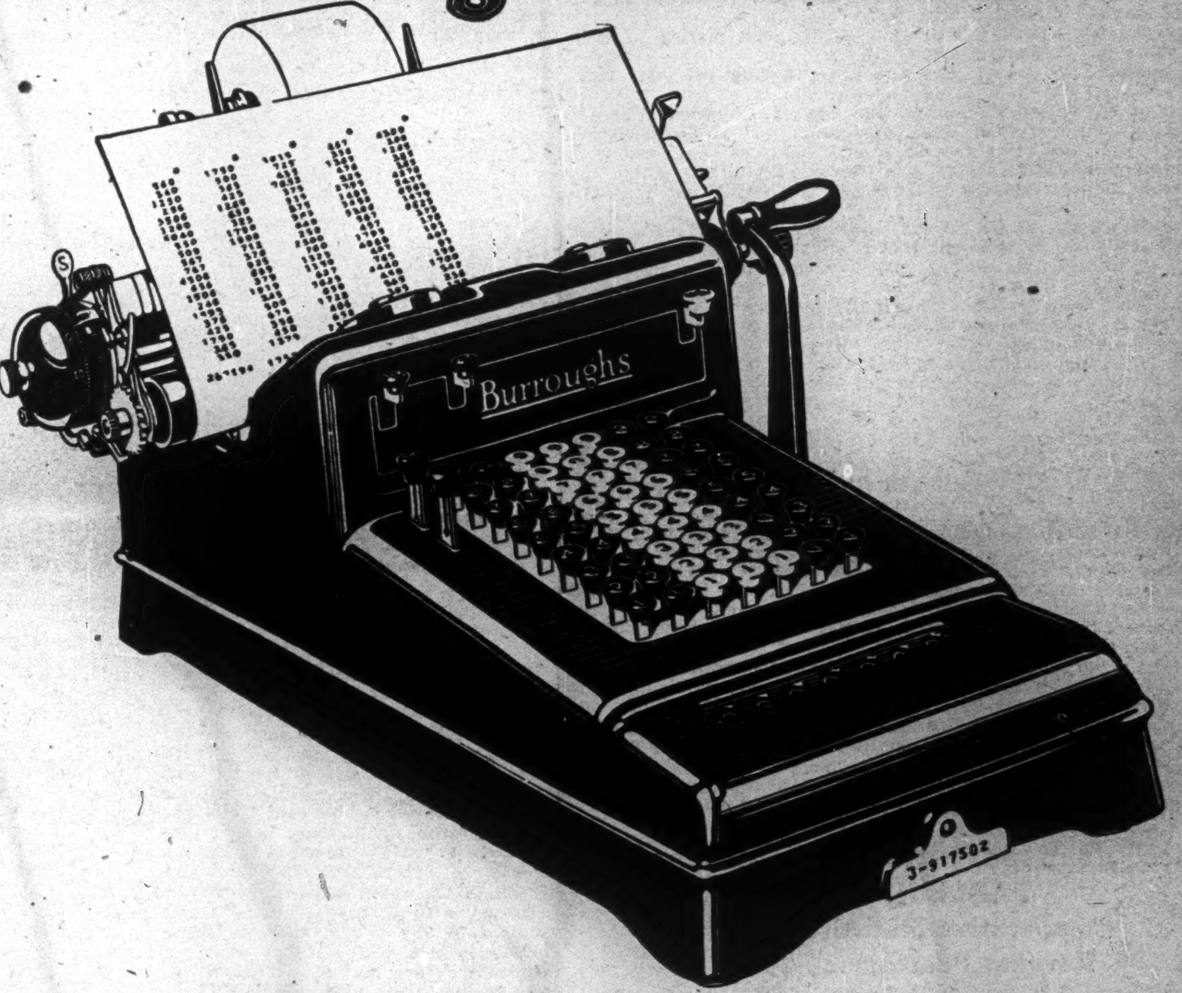

Simpler and Faster

The Burroughs Standard Visible Keyboard is built for speed. Ciphers and punctuation print automatically. Two or more keys may be depressed at one time. No training necessary. It's simpler and faster than figuring with a pencil. That's why more than 400,000 of this one style are in use today. Many styles and sizes, $145 and up. Free trial—small down payment—easy terms.

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TORONTO TRANSPORTATION COMMISSION

ABSTRACT OF ANNUAL STATEMENT

June 25th, 1925.

The annual statement of the General Manager of the Toronto Transportation Commission for the year 1924 is presented herewith, including the Balance Sheet as of December 31st, 1924, the Revenue Account and two tables of statistical information comparing the earnings and expenses and the revenue passengers carried each year since the organization of the Commission. Heretofore it has been impossible to present a complete and accurate report of the financial position and of the detail operating figures, due to the fact that the amount to be paid by the City for the property formerly owned by the Toronto Railway Company had not been settled. On October 24th, 1924, the Privy Council gave their judgment that the value of the property was $11,483,500—an amount $295,000 in excess of the original award of the Board of Arbitration. On this basis final settlement was made with the Toronto Railway Company, including 5% interest from September 1st, 1921.

BALANCE SHEET—

The settlement of these accounts makes it possible for the first time to present an accurate and classified statement of the assets and liabilities of the Commission. From the Balance Sheet, as reproduced on this page, it will be seen that the Commission has invested in capital account $45,069,311.28. This expenditure represents the total cost which has been incurred in acquiring the physical property, franchise rights, and other assets of the various independent street railway lines which were operated within the City Limits of Toronto prior to September 1st, 1921, together with the expenditures which have been necessary in rehabilitating and coordinating these lines and in extending them to form the present unified transportation system which now serves all parts of the City.

The report points out that included in the above capital investment is a total of $6,119,092.85, the greater part of which represents the cost which the City was forced to pay in excess of the actual value of physical property in acquiring assets of the Toronto Railway Company. The experience of the Commission in operating the railway proves conclusively that this was the case, although they do not dispute the judgment of the Privy Council which was based fundamentally on questions of law and interpretation of the Company's franchise agreement.

On the "Liabilities" side of the Balance Sheet both Capital Reserves and Operating Reserves have been increased, but as the report points out, all of the Reserves are either required because of unescapable legal obligations or because they are essential to sound and conservative operation.

REVENUE ACCOUNT—

The statement of the Revenue Account for the year 1924 shows a total income of $11,709,695.28. Of this sum, passenger earnings amounted to $11,422,689.52—a decrease of $219,767.50 from the preceding year or less than 1.9% loss. Other Revenue amounted to $287,005.76 compared with $209,877.61 in 1923. The net loss in total earnings is a decrease of 1.2%.

In this connection the report points out that statistics of the American Electric Railway Association show that for 350 electric railway companies in the United States and Canada, there was a decrease of 2.26% in the passengers carried in 1924 compared with 1923.

Table II, shown below, gives the revenue passengers carried in each month since the Commission started operation.

The mileage operated by street cars and buses during the year total 26,323,136.

The Expenses of Operation, including the cost of Electrical Energy, Maintenance, Repairs, Administration and Taxes amounted to $7,788,563.81. As shown in Table I, this total is a reduction of $316,116.48 compared with the Operating Expenses in 1923, and reflects the earnest efforts which the Commission has made to effect economies. It is nearly $700,000 less than the expenses in 1922.

Economies are necessary, as the report points out, not only because of decreased revenue but also because of the fact that the Interest and Sinking Fund charges are constantly increasing and will not reach a maximum until 1926.

The economies have been possible principally because of the new and efficient facilities which have been provided. The saving at the Hillcrest Shops in 1924 was about $100,000.

After paying Operating Expenses, Fixed Charges and Reserves, an amount of $89,187.47 was carried to the Surplus Account.

ANALYSIS OF FARE—

The average fare for Toronto was 6.155 cents for the year 1924. The average fare for all cities of 50,000 population and larger, except New York, in the United States was 7.17 cents at the end of 1924.

TRACKWORK—

As of December 31st, 1924, the Commission owned 222.374 miles of track and operated an additional 7.082 miles of track in York Township. The railways in York Township are operated by the Commission under an agreement by which the Commission furnishes the cars on a rental basis and has substantially the same powers in respect to control and management of the lines as it has in respect to the local system. It involves no financial obligation on the part of the Commission or the City.

In conclusion the report points out that the greatest operating difficulty confronting the Commission is created by parked vehicles, particularly in the central area. Street cars carry 81% of all persons transported into and out of the central area. The Commission is, therefore, vitally interested in regulations which will make available the maximum street space for moving vehicles.

The Commission views the decrease in revenue as only a temporary situation which will be corrected by even a small improvement in general conditions.

Toronto Transportation Commission
TABLE I.
Comparative Statement of Revenue Accounts

	1921 (4 months)	1922	1923	1924
INCOME				
Passenger Earnings	$4,026,793.68	$11,428,543.61	$11,642,457.02	$11,422,689.52
Income from Sundry Other Sources	45,176.05	222,968.88	209,877.61	287,005.76
Gross Income	$4,071,969.73	$11,651,512.49	$11,852,334.63	$11,709,695.28
EXPENDITURE				
Cost of Electric Current, including Operation and Maintenance of Sub-Stations	$367,893.08	$1,131,713.21	$1,044,518.42	$1,108,889.29
Expenses of Operation, Maintenance, Repairs, Administration and Taxes, including Accrued Charges	2,131,880.26	7,337,128.33	7,060,161.87	6,679,674.52
Total Expenditure	$2,499,773.34	$8,468,841.54	$8,104,680.29	$7,788,563.81
Net Income available for Fixed Charges	$1,572,196.39	$3,182,670.95	$3,747,654.34	$3,921,131.47
FIXED CHARGES				
Interest, less interest on Idle Funds	$474,900.77	$1,580,744.53	$2,120,396.87	$2,242,237.45
Reserve on Capital Account—				
Redemption of Debenture Debt	167,905.22	257,202.75	267,328.92	491,148.19
Reserve for Replacements	253,206.75	759,620.25	877,090.00	794,550.00
Reserves on Operating Account—				
Reserve for Unredeemed Tickets	100,000.00	75,000.00	18,000.00	18,000.00
Reserve for Workmen's Compensation and Public Liability	200,000.00	200,000.00	240,000.00	240,000.00
Reserve for Contingencies	199,380.20	228,219.69	100,000.00	30,000.00
Reserve for Bad Debts		10,170.00		16,008.36
Organization Expenses	139,218.19			
Total Fixed Charges and Reserves	$1,534,611.13	$3,110,787.22	$3,622,815.79	$3,831,944.00
Net Income carried to Surplus	$37,585.26	$71,883.73	$124,838.55	$89,187.47

Toronto Transportation Commission
Balance Sheet as at 31st December, 1924

ASSETS

FIXED ASSETS:			
Road and Equipment—Lands, Buildings, Electrical Distribution System, Trackwork, Rolling Stock, Buses, Machinery, Tools and Construction Equipment:			
1. On Toronto Transportation Commission Account	$29,016,252.20		
Less: Mortgages	457,750.00		
		$28,558,502.20	
2. On Civic Car Line Account		2,400,009.98	
3. On Toronto Railway Award Acct.		6,388,997.57	
			$37,347,509.75
Franchise and Other Intangible Assets:			
1. On Toronto Railway Award		$4,709,707.98	
2. On Costs of Toronto Railway Arbitration		696,609.28	
3. On Toronto and York Railway Metropolitan Division		585,000.00	
4. On Toronto and York Railway Scarboro Division		9,458.35	
5. On Toronto Suburban Railway		118,317.24	
			$6,119,092.85
Debenture Discount and Expenses			1,572,758.68
Mortgages			29,950.00
			$45,069,311.28
CURRENT ASSETS:			
Stores		$570,313.15	
Accounts Receivable, less Reserve for Estimated Losses		851,483.92	
Advances to Agents and Conductors		169,635.57	
Capital Funds in hands of the City Treasurer		2,118,098.21	
Cash on Hand and in Bank		182,905.62	
			$3,892,436.47
PREPAID CHARGES:			
Insurance and other Expenses		56,325.97	
Special Rehabilitation of Trackwork		88,377.88	
			144,703.85
			$49,106,451.60

LIABILITIES

CAPITAL ACCOUNT:		
Corporation of the City of Toronto:		
Proceeds of the Issue of Debentures	$41,447,296.16	
Debenture Discount and Expenses	1,572,758.68	
		$43,020,054.84
Less: Funds transferred to the City Treasurer for Redemption of Debentures		1,497,987.21
		$41,522,067.63
CURRENT LIABILITIES:		
Accounts Payable, due and accrued	$764,341.77	
Redemption of Debentures accrued but not yet due	382,731.11	
		$1,147,07[illegible]
CAPITAL RESERVES:		
For Replacements	$2,655,017.47	
For Exchange on Redemption of Debentures	887,643.00	
For Sinking Fund	892,987.21	
By Debenture Redemption	667,739.96	
		$5,103,387.64
OPERATING RESERVES:		
For Workmen's Compensation and Public Liability	$634,733.13	
For Tickets in hands of the Public and not yet used	211,000.00	
For Lost Articles	5,356.16	
For Contingencies	202,149.74	
		$1,053,2[illegible]
ACCUMULATED SURPLUS		280,684.4[illegible]
		$49,106,451.60

Toronto Transportation Commission
TABLE II.
Comparative Statistics
Revenue Passengers

Month	1921	1922	1923	1924
January	....	15,662,625	16,803,650	16,314,550
February	....	14,359,165	14,876,378	16,228,343
March	....	16,050,995	17,224,457	16,797,996
April	....	15,327,633	15,920,541	15,448,869
May	....	15,868,431	16,135,373	15,475,149
June	....	15,112,375	15,462,631	14,655,504
July	....	14,276,795	14,205,896	14,031,271
August	....	15,039,736	14,862,224	14,354,000
September	15,176,070	16,319,087	15,527,032	15,114,578
October	15,014,663	16,012,245	16,060,614	15,475,546
November	15,245,398	16,244,906	15,810,057	15,000,694
December	16,434,082	16,871,268	16,254,292	16,307,198
Total	61,870,213	187,145,261	189,143,145	185,203,698

Toronto Transportation Commission
Revenue Account for the Year Ended 31st December, 1924
Section 1: Showing Net Income From Operations

EXPENDITURE

Cost of Electric Current, including Maintenance and Operation of Sub-stations	$1,108,889.29
Expenses of Operation, Maintenance, Repairs, Taxes and Administration, including Accrued Charges	6,679,674.52
Income available for Fixed Charges, carried to Section 2	3,921,131.47
	$11,709,695.28

INCOME

Earnings from Passengers	$11,422,689.52
Income from Sundry Other Sources	287,005.76
	$11,709,695.28

Section 2: Showing Disposition of Net Income

Interest, Less Interest on Idle Funds		$2,242,237.45
Reserves on Capital Account:		
For Redemption of Debenture Debt	$491,148.19	
For Replacements	794,550.00	
		$1,285,698.19
Reserves on Operating Account:		
For Tickets in hands of Public but not yet used	18,000.00	
For Workmen's Compensation and Public Liability	240,000.00	
For Doubtful Debts	16,008.36	
For Contingencies	30,000.00	
		304,008.36
Net Income carried to Surplus Account		89,187.47
		$3,921,131.47
Income available for Fixed Charges		$3,921,131.47
		$3,921,131.47

TERRORISM NOW PREVAILS IN THE COAL STRIKE AREA

And No Early Settlement of the Situation is in Sight

From Our Own Correspondent.

SYDNEY.—With the end of the struggle apparently as far off as ever, and with armed troops and police holding the main strategic points throughout the coal field, the Cape Breton strike has, within the past two weeks developed into a species of guerrilla warfare in which arson is the main weapon employed. Scarcely a night passes during which some company house, shop or storehouse is not burned, and some of these fires are serious, a recent one having developed into a $150,000 conflagration that destroyed all machinery at one colliery and makes resumption of work there impossible for several months, even should the strike itself end to-morrow.

Grown bolder with success, fifty or sixty masked men in twelve automobiles swooped down upon the little coast town of Port Morien, raided the customs house and carried off forty-three kegs of liquor. Local officials are unable, or unwilling to identify the marauders for fear of reprisals when military protection is withdrawn.

Terrorism is the order of the day. In an isolated camp, a man will enter a small shop rap sharply on the counter with a couple of stones and say, "Gimme a package of Players."

"Twenty cents, please."

"That's all right, charge it."

Juggling the rocks suggestively, the dealer hands over because he knows what refusal means.

At Sydney mines, a barber refused a quarter to a striker, that night his plate glass window went.

While threats of looting the city are common, it is the people of the small places like Port Morien who are in real danger. It is the literal truth that many civilians not connected with the strike go daily in terror of life, limb and property because they know that the slightest whim of some enemy may bring them a visit from the fire bug any night.

After dark incendiary attacks have been carried out within a short distance of military posts. The troops turned out promptly the instant the alarm was given, but in each case were too late to prevent the total destruction of property, the dry buildings burning like tinder. In fact the company property is so scattered that the whole Canadian army could scarcely furnish enough men to post detachments at every exposed point.

With the U. M. W supplying $10,000 a week supplemented by the huge quantity of food stuffs looted from company and private stores, there is seemingly nothing to prevent the strike continuing until cold weather comes again. By that time, if incendiaries keep working at their present rate, there will be nothing left for the soldiers to protect.

New Company to Place Mortgages in Montreal

At a banquet held at the King Edward Hotel, Toronto, last week, to inaugurate the work of the Montreal Debenture Corporation, the rapid growth of the Municipal Bankers' Corporation business was outlined by Sir Wm. Hearst. The meeting was attended by the entire staff of the Municipal Bankers' Sales Corporation, which will sell the bonds of the new company.

Sir Wm. Hearst pointed out the early difficulties met by Municipal Bankers' and the steady growth of the sales staff, under the direction of T. A. Neely, to a point where the money available exceeds that which the management and directors can place soundly in accordance with the policies previously followed. He then outlined the developments in Montreal by which the shareholders of two existing loan companies agreed unanimously to unite in forming the Montreal Debenture Corporation, taking stock in the new company in payment. Bonds are now being issued as a first charge against the mortgages and other assets of the company. A number of prominent Montreal men, who were connected with the two former companies, are on the new board as well as Sir Wm. Hearst, Sir John Willison, T. A. Neely and D. W. Gordon, of Toronto. The securities pledged for the bonds will be selected and passed in the same way as in the case of the Municipal Bankers' Corp.

Sir John Willison, in speaking, indicated the many reasons for optimism among Canadian business men, and Major F. R. Phelan, representing the Montreal directors, spoke of the opportunity for sound loaning operations in Montreal.

Chain Store Methods Employed by Childs'

NEW YORK.—Earnings of Childs Co. are keeping up to expectations and interests conversant with the affairs of the company believe that, with a continuation of present conditions, earnings for the year should exceed $6.13 reported on the 237,863 shares of common stock in 1924. A steady growth in earnings and sales of the Childs Co. has been witnessed since the business was first started in New York City in 1889. To-day the company is operating a chain of 106 restaurants throughout the United States and Canada, doing a cash business of close to $25,000,000 annually. The success of the venture is attributed in a large measure to the application of "chain store" methods, which have been found so successful in other fields.

PORTNEUF HYDRAULIC

MONTREAL.—The Portneuf Hydraulic Co. has been sold. Outstanding bonds amounted to $328,100, of which approximately $300,000 had been turned in to holders' Committee The property was bought by Oliver Asselin, of Versailles, Vidricaire & Boulais, who was acting for the bondholders. It is proposed by the bondholders to carry out a reorganization of the company. The present bondholders are to receive common stock in the new company to the extent of $125 for each $100 of bonds held. An arrangement will be made with the Shawinigan Water and Power Company to finance and reconstruct the plant, with the control of the company to be held by Shawinigan.

MANITOBA'S PAPER MILL TO BE STARTED

Hundred Ton Production Will be the Initial Plan

From Our Own Correspondent.

MONTREAL. — Construction of the pulp and paper mill of the Manitoba Pulp and Paper Company, of Winnipeg, will commence within the next six weeks. The project is to be completed at a cost of $2,500,000 and within the next eighteen months. While J. D. McArthur will continue to be president, the company will be operated by the Spanish River Pulp and Paper Co., which will ensure efficient management for the new concern.

The contract between the Federal government and J. D. McArthur calls for the employment of 120 men, but it is thought that the pay roll will eventually be much larger. Likewise, the contract calls for a 50 ton a day paper mill; but it is the company's intention to commence construction on a 100 ton pulp mill immediately. Under the terms of the contract, the company must operate the mill at a daily output of at least 100 tons of pulp and convert at least 50 per cent. of the output into paper and must not export any of the manufactured pulp if, in the judgment of the minister, it is required by the market of the prairie provinces. The company is not allowed to commence cutting pulpwood until at least $1,000,000 has been spent on the mill and it has provided a bond of $175,000 as a guarantee that the terms of the contract will be carried out.

In speaking of the project, J. D. McArthur, the present of the Manitoba Pulp and Paper Co., said: "In these modern times there is no such thing as a 50 ton paper machine. The company, of which I am still the president, intends to instal at once a 110 ton machine, with the necessary ground wood and sulphite pulp mills. I want to assure the people of Manitoba that it is our intention to double the capacity of our initial plant just as soon as conditions will warrant."

Spanish Earnings

While no definite figures have been received, it is understood that the earnings of the Spanish River Pulp and Paper Mill for the year ending June 30, will show a surplus of at least $1,000,000 over preferred and common stock dividend requirements. Owing to lower prices in the industry, it is said that the company's earnings will not be quite up to the high mark made last year. Gross earnings for the preceding year were in excess of $5,000,000 and the amount added to surplus was $1,314,488.

Probable That D.U.R. Plan is Unsuccessful

MONTREAL.—The special meeting of the shareholders of the Detroit United Railway, called to consider the refinancing of the company, which was to have been held this week, has been postponed until July 6th.

No announcement has yet been made as to the results of the financial plans submitted to shareholders and unsecured creditors. The last day for the receipt of subscriptions on the part of shareholders was June 26th. An announcement will be made shortly as the company has to make a payment on July 1st of $250,000, this being the sinking fund requirements on the outstanding 6 per cent. bonds. The remaining $500,000 needed will be provided by a payment due from the City of Detroit.

The announcement of the postponement of the meeting until July 6 is taken by some to mean that the refinancing plan has proven unsuccessful—in any event, none of the officers of the company have definitely announced that sufficient money has been subscribed to enable the reorganization to be completed. This in itself may be taken as significant.

CUT IN SURTAXES HAS BENEFITED THE WHOLE COMMUNITY IN THE U.S.

(Continued from page 1)

there would not be a profit of $15,000 for the year but a loss of $10,000 compared with the $20,000 profit of the previous year. The value of an industrial plant is its earning power and this is frequently lost sight of in relation to declining profits. In a word, it is frequently the case that there are not the profits in a business which the owners think they have made.

Benefits in the States

How the United States taxation programme is actually encouraging business and fostering general prosperity by cutting the levies on capital is indicated by the following Washington despatch to the New York Times:

There seems to be a pretty general agreement in which both the high and low surtax elements are included that the governmental expenditures and receipts have now been so balanced that a maximum surtax of not more than 25 per cent. is feasible and should be established. It also is agreed that this can be done and the tax rates on small incomes revised downward again and still leave a margin of safety between receipts and expenditures. The important relation of income and profits tax payments made during the first six months of the present calendar year to the tax reduction program is that these payments represent the first returns made under the new tax rates which went into effect on Jan. 1, 1925. The actual payments made show that a much larger revenue was received than had been anticipated in the early estimates, the excess over estimates for the six months being perhaps $150,000,000.

NEW PAPER PROJECT

MONTREAL.—One more paper company has been incorporated under an Ontario provincial charter; it is the Kenora Paper Mills, Limited. Under its charter, the company can manufacture paper, cardboard and paper substitutes. The capital will be divided into 500,000 common shares without any par value. The provisional directors of the company are William S. Morlock, Sydney E. Webb, Bruce V. McCrimmon and John M. Middleton, all of Toronto.

CAPE BRETON FISHERIES

SYDNEY. — Cape Breton fishermen, who have been experiencing one of the best mackerel seasons in recent years, are now preparing for the lucrative sword fishing season, which will [illegible] toward the latter part of July. [illegible] England States take this tooths[illegible] Canadian product by the express [illegible]load at fancy prices.